



**BANK MUAMALAT MALAYSIA BERHAD**  
Company No. 196501000376 (6175-W)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED  
30 JUNE 2020 (8 ZULKAEDAH 1441H)**

Company No. 6175-W

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

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**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

	Note	Group		Bank	
		As at 30 June 2020 RM'000	As at 31 December 2019 RM'000	As at 30 June 2020 RM'000	As at 31 December 2019 RM'000
<b>Assets</b>					
Cash and short-term funds		2,444,748	1,011,225	2,444,748	1,011,225
Cash and placements with financial institutions		6,418	53,925	6,418	53,925
Financial investments at fair value through profit or loss	9(i)	328,522	308,793	328,522	308,793
Financial investments at fair value through other comprehensive income	9(ii)	4,787,294	4,604,824	4,784,845	4,602,399
Financial investments at amortised cost	9(iii)	104,547	103,162	104,547	103,162
Islamic derivative financial assets	10	30,084	21,859	30,084	21,859
Financing of customers	11	16,362,993	15,861,238	16,358,040	15,857,343
Other assets	12	73,917	41,670	73,570	40,780
Statutory deposits with Bank Negara Malaysia		83,286	568,768	83,286	568,768
Investment in subsidiaries		-	-	13,159	13,159
Investment properties		53,696	53,063	53,696	53,063
Right-of-use assets		42,907	48,122	36,501	41,466
Intangible assets		72,036	82,538	71,926	82,427
Property, plant and equipment		54,210	56,092	54,184	56,064
Deferred tax assets (net)	13	319	13,534	-	13,250
<b>Total assets</b>		<b>24,444,977</b>	<b>22,828,813</b>	<b>24,443,526</b>	<b>22,827,683</b>
<b>Liabilities</b>					
Deposits from customers	14	20,445,441	18,940,552	20,458,929	18,955,006
Deposits and placements of banks and other financial institutions	16	54,158	6,303	54,158	6,303
Bills and acceptances payable		7,953	8,444	7,953	8,444
Islamic derivative financial liabilities	10	132,603	77,546	132,603	77,546
Other liabilities	17	51,917	53,284	51,452	52,316
Lease Liabilities		46,604	51,659	38,874	43,823
Provision for zakat and taxation	18	5,265	9,528	4,812	9,272
Deferred tax liabilities (net)	13	5,929	-	5,929	-
Recourse obligation on financing sold to Cagamas		451,917	459,633	451,917	459,633
Subordinated sukuk	20(a)	250,564	250,532	250,564	250,532
Senior sukuk	20(b)	502,461	502,517	502,461	502,517
<b>Total liabilities</b>		<b>21,954,812</b>	<b>20,359,998</b>	<b>21,959,652</b>	<b>20,365,392</b>

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020 (8 ZULKAEDAH 1441H) - (CONT'D.)**

	Note	Group		Bank	
		As at 30 June 2020 RM'000	As at 31 December 2019 RM'000	As at 30 June 2020 RM'000	As at 31 December 2019 RM'000
<b>Shareholders' equity</b>					
Share capital		1,195,000	1,195,000	1,195,000	1,195,000
Reserves		1,295,165	1,273,815	1,288,874	1,267,291
<b>Total shareholders' equity</b>		<b>2,490,165</b>	<b>2,468,815</b>	<b>2,483,874</b>	<b>2,462,291</b>
<b>Total liabilities and shareholders' equity</b>		<b>24,444,977</b>	<b>22,828,813</b>	<b>24,443,526</b>	<b>22,827,683</b>
Restricted investment accounts	15	-	20,000	-	20,000
<b>Total Islamic banking asset and asset under management</b>		<b>24,444,977</b>	<b>22,848,813</b>	<b>24,443,526</b>	<b>22,847,683</b>
Commitments and contingencies	34	7,093,432	6,596,494	7,093,432	6,596,494
<b>Capital adequacy *</b>					
CET 1 capital ratio	35	15.401%	15.998%	15.301%	15.895%
Total capital ratio	35	17.972%	18.653%	17.876%	18.555%

\* The capital adequacy ratios are computed after taking into account the credit, market and operational risks.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

<u>Group</u>	Note	3 months ended		6 months ended	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
Income derived from investment of depositors' funds and others	21	248,872	297,961	559,250	620,594
(Loss)/Income derived from investment of shareholders' funds	22	16,282	10,993	(19,661)	30,197
Income derived from investment of investment account funds	23	24	5	156	411
(Allowance for)/Writeback off impairment on financing	24	(8,622)	(11,088)	(34,960)	13,103
Writeback of impairment losses on financial investments, net	25	341	286	828	374
Writeback of/(Allowance for) impairment losses on other financial assets, net	26	82	192	269	(4,014)
Other expenses directly attributable to the investment of the depositors and shareholders' funds		(2,882)	(2,771)	(6,737)	(6,595)
<b>Total distributable income</b>		<b>254,097</b>	<b>295,578</b>	<b>499,145</b>	<b>654,070</b>
Income attributable to depositors	27	(116,495)	(137,998)	(243,654)	(288,288)
<b>Total net income</b>		<b>137,602</b>	<b>157,580</b>	<b>255,491</b>	<b>365,782</b>
Personnel expenses	28	(53,068)	(59,352)	(105,839)	(113,926)
Other overheads and expenditures	29	(43,834)	(48,820)	(88,314)	(97,862)
Finance costs	30	(16,323)	(16,510)	(32,743)	(32,453)
<b>Profit before zakat and taxation</b>		<b>24,377</b>	<b>32,898</b>	<b>28,595</b>	<b>121,541</b>
Zakat	31	(653)	(841)	(754)	(3,274)
Taxation	32	(6,353)	(6,995)	(18,925)	(30,272)
<b>Profit for the period</b>		<b>17,371</b>	<b>25,062</b>	<b>8,916</b>	<b>87,995</b>
<b>Earnings per share attributable to shareholders of the Bank (sen) (basic and diluted):</b>				<b>1.49</b>	<b>7.36</b>

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**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

<u>Bank</u>	Note	3 months ended		6 months ended	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
Income derived from investment of depositors' funds and others	21	248,872	297,961	559,250	620,594
(Loss)/Income derived from investment of shareholders' funds	22	16,176	10,863	(21,435)	29,963
Income derived from investment of investment account funds	23	24	5	156	411
(Allowance for)/Writeback off impairment on financing	24	(8,622)	(11,088)	(34,960)	18,014
Writeback of impairment losses on financial investments, net	25	341	286	828	1,374
Writeback of/(Allowance for) impairment losses on other financial assets, net	26	82	192	269	(4,014)
Other expenses directly attributable to the investment of the depositors and shareholders' funds		(2,882)	(2,771)	(6,737)	(6,595)
<b>Total distributable income</b>		<b>253,991</b>	<b>295,448</b>	<b>497,371</b>	<b>659,747</b>
Income attributable to depositors	27	(116,563)	(138,068)	(243,802)	(288,462)
<b>Total net income</b>		<b>137,428</b>	<b>157,380</b>	<b>253,569</b>	<b>371,285</b>
Personnel expenses	28	(52,378)	(58,724)	(104,432)	(112,314)
Other overheads and expenditures	29	(43,959)	(49,020)	(88,461)	(98,451)
Finance costs	30	(16,217)	(16,400)	(32,527)	(32,343)
<b>Profit before zakat and taxation</b>		<b>24,874</b>	<b>33,236</b>	<b>28,149</b>	<b>128,177</b>
Zakat	31	(622)	(831)	(704)	(3,204)
Taxation	32	(6,044)	(6,863)	(18,296)	(29,797)
<b>Profit for the period</b>		<b>18,208</b>	<b>25,542</b>	<b>9,149</b>	<b>95,176</b>

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

<u>Group</u>	Note	3 months ended		6 months ended	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Profit for the period</b>		<b>17,371</b>	25,062	<b>8,916</b>	87,995
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified</b>					
<b>subsequently to profit or loss</b>					
Net gain on financial investments at fair value through other comprehensive income		33,572	28,524	13,571	61,883
- Net gain on change in fair value		60,750	41,590	51,926	102,287
- Changes in expected credit losses	9(ii)	(16)	24	(39)	(15)
- Income tax effect	13	(7,199)	(10,521)	(883)	(23,180)
- Realised gain transferred to profit or loss on disposal	21&22	(19,963)	(2,569)	(37,433)	(17,209)
Exchange fluctuation reserve		833	670	1,783	(71)
<b>Items that may not be reclassified</b>					
<b>subsequently to profit or loss</b>					
Net unrealised (loss)/gain on equity securities at fair value through other comprehensive income		15,461	5,470	(2,920)	10,432
<b>Other comprehensive income for the period, net of tax</b>		<b>49,866</b>	34,664	<b>12,434</b>	72,244
<b>Total comprehensive income for the period</b>		<b>67,237</b>	59,726	<b>21,350</b>	160,239

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

<u>Bank</u>	Note	3 months ended		6 months ended	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Profit for the period</b>		<b>18,208</b>	25,542	<b>9,149</b>	95,176
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Net gain on financial investments at fair value through other comprehensive income		<b>33,572</b>	28,524	<b>13,571</b>	62,470
- Net gain on change in fair value		<b>60,750</b>	41,590	<b>51,926</b>	102,557
- Changes in expected credit losses	9(ii)	<b>(16)</b>	24	<b>(39)</b>	(15)
- Income tax effect	13	<b>(7,199)</b>	(10,521)	<b>(883)</b>	(22,593)
- Realised gain transferred to profit or loss on disposal	21&22	<b>(19,963)</b>	(2,569)	<b>(37,433)</b>	(17,479)
Exchange fluctuation reserve		<b>833</b>	670	<b>1,783</b>	(71)
<b>Items that may not be reclassified subsequently to profit or loss</b>					
Net unrealised (loss)/gain on equity securities at fair value through other comprehensive income		<b>15,461</b>	5,470	<b>(2,920)</b>	10,432
<b>Other comprehensive income for the period, net of tax</b>		<b>49,866</b>	34,664	<b>12,434</b>	72,831
<b>Total comprehensive income for the period</b>		<b>68,074</b>	60,206	<b>21,583</b>	168,007

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.



**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

<u>Group</u>	Non-distributable			Distributable		Total Equity RM'000
	Ordinary shares RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000	
<b>At 1 January 2020</b>	<b>1,195,000</b>	<b>18,008</b>	<b>62,676</b>	<b>(133)</b>	<b>1,193,264</b>	<b>2,468,815</b>
Profit for the period	-	-	-	-	8,916	8,916
Other comprehensive loss for the period	-	10,651	-	1,783	-	12,434
Total comprehensive loss for the period	-	10,651	-	1,783	8,916	21,350
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	(7,895)	-	-	7,895	-
Transfer from regulatory reserve	-	-	(424)	-	424	-
<b>At 30 June 2020</b>	<b>1,195,000</b>	<b>20,764</b>	<b>62,252</b>	<b>1,650</b>	<b>1,210,499</b>	<b>2,490,165</b>
At 1 January 2019	1,195,000	(39,175)	48,021	324	1,044,582	2,248,752
Profit for the period	-	-	-	-	87,995	87,995
Other comprehensive income for the period	-	72,315	-	(71)	-	72,244
Total comprehensive income for the period	-	72,315	-	(71)	87,995	160,239
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	(1,278)	-	-	1,278	-
Transfer to regulatory reserve	-	-	15,485	-	(15,485)	-
At 30 June 2019	1,195,000	31,862	63,506	253	1,118,370	2,408,991

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

	Non-distributable			Distributable		Total Equity RM'000
	Ordinary shares RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000	
<b>Bank</b>						
<b>At 1 January 2020</b>	<b>1,195,000</b>	<b>18,008</b>	<b>62,676</b>	<b>(133)</b>	<b>1,186,740</b>	<b>2,462,291</b>
Profit for the period	-	-	-	-	9,149	9,149
Other comprehensive loss for the period	-	10,651	-	1,783	-	12,434
Total comprehensive loss for the period	-	10,651	-	1,783	9,149	21,583
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	(7,895)	-	-	7,895	-
Transfer from regulatory reserve	-	-	(424)	-	424	-
<b>At 30 June 2020</b>	<b>1,195,000</b>	<b>20,764</b>	<b>62,252</b>	<b>1,650</b>	<b>1,204,208</b>	<b>2,483,874</b>
At 1 January 2019	1,195,000	(39,762)	48,021	324	1,031,752	2,235,335
Profit for the period	-	-	-	-	95,176	95,176
Other comprehensive income for the period	-	72,902	-	(71)	-	72,831
Total comprehensive income for the period	-	72,902	-	(71)	95,176	168,007
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	(1,278)	-	-	1,278	-
Transfer from regulatory reserve	-	-	15,485	-	(15,485)	-
At 30 June 2019	1,195,000	31,862	63,506	253	1,112,720	2,403,342

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

	Note	Group		Bank	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Cash flows from operating activities</b>					
Profit before zakat and taxation		<b>28,595</b>	121,541	<b>28,149</b>	128,177
Adjustment for					
Amortisation of prepaid land and lease payment	29	-	2	-	2
Amortisation of intangible asset	29	<b>16,752</b>	16,208	<b>16,752</b>	16,191
Depreciation of property, plant and equipment	29	<b>5,726</b>	7,402	<b>5,722</b>	7,400
Loss/(Gain) on disposal of property, plant and equipment	21	<b>21</b>	(7)	<b>21</b>	(7)
Depreciation of right-of-use assets	29	<b>6,032</b>	2,375	<b>5,801</b>	2,252
Amortisation of cost on Subordinated Sukuk Issued		<b>100</b>	100	<b>100</b>	100
Fixed asset written off		-	25	-	25
Intangible asset written off		<b>233</b>	-	<b>233</b>	-
Amortisation of premium, net	21&22	<b>10,015</b>	737	<b>10,015</b>	737
Net gain from sale of financial investments at fair value through other comprehensive income	21&22	<b>(37,433)</b>	(17,284)	<b>(37,433)</b>	(17,478)
Net gain from sale of financial investment designated at FVTPL	21&22	<b>(222)</b>	(604)	<b>(222)</b>	(604)
Unrealised loss/(gain) on revaluation of financial investment designated at FVTPL	21&22	<b>34,172</b>	(12,042)	<b>34,172</b>	(12,725)
Net loss/(gain) on revaluation of foreign exchange transaction	22	<b>4,871</b>	(4,260)	<b>4,871</b>	(4,260)
Unrealised (gain)/loss from foreign exchange derivatives	22	<b>(5,989)</b>	297	<b>(5,989)</b>	297
Unrealised loss on revaluation of islamic profit rate swap	22	<b>52,822</b>	31,148	<b>52,822</b>	31,148
Unrealised gain on revaluation of hedged items	22	<b>(59,191)</b>	(37,043)	<b>(59,191)</b>	(37,043)
Fair value of financial liabilities designated at FVTPL	22	<b>(4,488)</b>	-	<b>(4,488)</b>	-
Writeback of impairment losses on financial investments, net	25	<b>(828)</b>	(374)	<b>(828)</b>	(374)
(Writeback of)/allowance for impairment losses on other financial assets, net	26	<b>(269)</b>	4,014	<b>(269)</b>	4,014
Allowance for impairment on financing	24	<b>43,049</b>	13,931	<b>43,049</b>	13,952
Financing written off	24	<b>2,477</b>	(11,653)	<b>2,477</b>	(11,653)
Fair value adjustments of investment properties		-	(1,580)	-	(1,580)
Impairment loss of investment in subsidiaries		-	-	-	(1,000)
Finance cost	30	<b>32,743</b>	32,453	<b>32,527</b>	32,343
Gross dividend income	22	<b>(24)</b>	(41)	<b>(1,500)</b>	(1,000)
Operating profit before working capital changes		<b>129,164</b>	145,345	<b>126,791</b>	148,914

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**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

	Note	Group		Bank	
		30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
(Increase)/decrease in operating assets:					
Financial investment portfolio		(37,490)	38,735	(37,490)	50,124
Islamic derivative financial assets		(2,234)	16,740	(2,234)	16,740
Financing of customers		(507,152)	(394,154)	(506,094)	(394,797)
Statutory deposits with Bank Negara Malaysia		485,482	35,949	485,482	35,949
Other assets		(10,044)	(28,275)	(10,570)	(36,148)
Increase/(decrease) in operating liabilities:					
Deposits from customers		1,504,889	(1,570,408)	1,503,923	(1,574,999)
Deposits and placements of banks and other financial institutions		52,343	(42,064)	52,343	(42,064)
Islamic derivative financial liabilities		2,234	(16,741)	2,234	(16,741)
Bills and acceptances payable		(490)	719	(490)	719
Other liabilities		(500)	84,938	(28)	85,678
Cash generated from/(used in) operations		1,616,202	(1,729,216)	1,613,867	(1,726,625)
Finance cost on lease liabilities paid		(1,314)	-	(1,098)	-
Zakat paid		-	(6,250)	-	(6,195)
Tax paid		(31,555)	(7,099)	(31,039)	(7,036)
<b>Net cash generated from/(used in) operating activities</b>		<b>1,583,333</b>	<b>(1,742,565)</b>	<b>1,581,730</b>	<b>(1,739,856)</b>
<b>Cash flows from investing activities</b>					
Proceeds from disposal of financial investment in securities		3,965,404	7,488,825	3,965,404	7,487,924
Purchase of financial investment in securities		(4,106,608)	(6,018,197)	(4,106,584)	(6,018,232)
Proceeds from disposal of property, plant and equipment		410	72	410	72
Purchase of investment properties		(633)	(842)	(633)	(842)
Purchase of property, plant and equipment		(4,272)	(9,521)	(4,273)	(9,510)
Purchase of intangible asset		(6,485)	(13,826)	(6,484)	(13,716)
Purchase of additional ordinary shares in existing subsidiaries		-	-	-	(3,000)
Dividend income	22	24	42	1,500	1,000
<b>Net cash (used in)/generated from investing activities</b>		<b>(152,160)</b>	<b>1,446,553</b>	<b>(150,660)</b>	<b>1,443,696</b>

**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020 (8 ZULKAEDAH 1441H)**

	Group		Bank	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Cash flows from financing activities</b>				
Dividend paid on Islamic subordinated sukuk	(21,000)	(21,000)	(21,000)	(21,000)
Repayment of lease liability	(5,888)	(2,796)	(5,785)	(2,648)
Repayment of principal for recourse obligation on financing sold to Cagamas	(7,662)	(7,910)	(7,662)	(7,910)
Repayment of finance cost for recourse obligation on financing sold to Cagamas	(10,607)	(10,965)	(10,607)	(10,965)
<b>Net cash used in financing activities</b>	<b>(45,157)</b>	<b>(42,671)</b>	<b>(45,054)</b>	<b>(42,523)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,386,016</b>	<b>(338,683)</b>	<b>1,386,016</b>	<b>(338,683)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>1,065,150</b>	<b>842,508</b>	<b>1,065,150</b>	<b>842,508</b>
<b>Cash and cash equivalents at end of the period</b>	<b>2,451,166</b>	<b>503,825</b>	<b>2,451,166</b>	<b>503,825</b>
<b>Cash and cash equivalents consist of:</b>				
Cash and short term funds	2,444,748	485,233	2,444,748	485,233
Cash and placements with financial institutions	6,418	18,592	6,418	18,592
	<b>2,451,166</b>	<b>503,825</b>	<b>2,451,166</b>	<b>503,825</b>

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019.

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**  
(8 ZULKAEDAH 1441H)

**1. Basis of preparation**

The unaudited condensed financial statements for the financial period ended 30 June 2020 of Bank Muamalat Malaysia Berhad ("BMMB" or "the Bank") and its subsidiaries ("the Group") have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and rounded to the nearest thousand (RM'000) except when otherwise indicated.

The financial statements of the Group and of the Bank are prepared under the historical cost basis except for the following assets and liabilities that are stated at fair values: financial investments at fair value through other comprehensive income ("FVOCI"), financial investments at fair value through profit or loss ("FVTPL"), and Islamic derivative financial instruments.

The Group and the Bank present the statements of financial position in order of liquidity.

These condensed consolidated interim financial statements for the period ended 30 June 2020 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board, Bank Negara Malaysia Guidelines ("BNM"), and the principles of Shariah.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank and of the Group for the financial year ended 31 December 2019. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2019.

The significant accounting policies and methods of computation applied by the Bank are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2019 except for adoption of the following MFRSs and Interpretations of the Issues Committee ("IC Interpretations") with effective dates as follows:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3: Business Combinations- Definition of Business	1 January 2020
Amendments to MFRS 101: Presentation of Financial Statements- Definition of Material	1 January 2020
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors- Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16: Leases- Covid-19-related Rent Concessions	1 June 2020

The Group and the Bank have not applied the following accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Bank. The Group and the Bank intend to adopt these standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17: Insurance Contracts	1 January 2021
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 3: Business Combinations- Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets- Onerous Contracts- Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by MASB

**BANK MUAMALAT MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**1. Basis of preparation (cont'd.)**

**Revised Financial Reporting Guidelines issued by Bank Negara Malaysia ("BNM")**

**Effective date**

Capital Adequacy Framework for Islamic Banks (Capital Components)  
Statutory Reserve Requirement

5 February 2020  
20 March 2020

**2. Auditors' report on preceding annual financial statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2019 was not qualified.

**3. Significant events**

During the financial period ended 30 June 2020, there have been significant uncertainties noted around Malaysia's economic outlook stemming from the novel coronavirus ("Covid-19") pandemic and the sudden drop in global oil prices in early of the year.

Following this, Bank Negara Malaysia has issued a directive to all financial institutions in the country to implement the automatic granting of a six (6) months moratorium on qualifying financing as a measure to provide short term relief to eligible customers.

The Group's and the Bank's financial results for the second quarter ending 30 June 2020 have factored in the impact from Day 1 adjustment of modification loss resulting from the six (6) months automatic moratorium granted to qualifying financing customers in accordance to MFRS 9 requirement. Furthermore, the Group and the Bank have reassessed and updated the macro economic variables ("MEVs") and forecast into the MFRS 9 ECL model and accounted for the increment in the loss allowance in the current financial results. The Group and the Bank will continuously monitor and assess the developments and its economic impact.

**4. Seasonal or cyclical factors**

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors during the financial period ended 30 June 2020.

**5. Unusual items**

There were no unusual items affecting the assets, liabilities, equity, net income or cashflows of the Group and of the Bank during the financial period ended 30 June 2020.

**6. Changes in accounting estimates**

There were no material changes in estimates during the financial period ended 30 June 2020.

**7. Dividends**

There was no dividend payment during the financial period ended 30 June 2020.

**8. Performance review and outlook**

The Group posted an unaudited profit before zakat and taxation of RM28.6 million for the six (6) months period ended 30 June 2020, a reduction by 76.5% from the previous corresponding period in 2019. This is largely attributed to the lower total income from investment of depositors' and shareholders' funds by RM111.5 million or 17.1%; coupled with higher charge in allowance for impairment loss on financing of RM32.3 million, as compared to writeback of RM9.5 million for the same period last year. However, it is partially offset by the lower income attributable to depositors by RM44.6 million or 15.5%, arising from lower funding cost after several cuts in the Overnight Policy Rate ("OPR") in January, March and May 2020.

Total assets of the Group stood at RM24.4 billion, an expansion of 7.1% from RM22.8 billion registered in December 2019. This was mainly contributed by the higher financial investment assets, cash and short term funds, and financing assets; in tandem with the increase in deposit of customers as at the end of June 2020.

## **8. Performance review and outlook (cont'd.)**

### **OUTLOOK**

The easing of the lockdown measures in Malaysia saw monthly industrial production recording a double-digit rise in May 2020. However, goods export volumes only rose slightly, after plunging in both March and April 2020. Essentially, all measures of demand and output in May 2020 were still down sharply from the levels of a year ago, although recovery in industrial production and retail sales momentum continued in June 2020. The country's gross domestic product ("GDP") growth is forecasted to contract in the negative region in 2Q 2020, mainly due to the pandemic-containment measures, uncertainty that hinders investment and weak export demand.

Household spending plummeted in April 2020 at the peak of the Movement Control Order ("MCO") although there is apparent evidence that spending has subsequently started to pick up since the announcement of Conditional Movement Control Order ("CMCO") in May 2020 and Recovery Movement Control Order ("RMCO") in June 2020.

As consumer fundamentals remain weak with unemployment rate standing at a multi-year high of 5.3% in May 2020, the Government has announced a RM35.0 billion of fiscal support in early June 2020, bringing the total fiscal package to RM295.0 billion, or circa 20% of GDP. The focus was again on wage and employment retention measures as well as financing and liquidity support. It also covered tax incentives for foreign investment and commodity sector support. This supposedly final fiscal plan brings the direct fiscal injection to around RM53.0 billion or 18% of the total package, which is expected to be funded through higher dividends and increased Government bond issuance.

Premised on the above, analysts expect economic activity to rebound over 2H2020 as Government continues to gradually lift restrictions, assisted by accommodative macroeconomic policies. With unemployment rate at 10-year high, both wage and employment growths are also expected to record moderate growth for 2020. This weakness will only be partly offset by fiscal measures that include cash handouts. Household sector is also forecasted to remain cautious for much of the year until labour market conditions and confidence improves. **(Source: Oxford Economics and CEICdata.com)**

Continuous headwinds on both domestic and global fronts have posed greater downside risks to banks' performance this year although Malaysian financial sector remains resilient, supported by ample liquidity and strong capital buffers to cushion the impact of the pandemic. The banks, however, may continue to face heightened uncertainties with moderate loan/financing growth forecasted to be lower than that in 2019. Liquidity is anticipated to stay healthy supported by a lower statutory reserves requirement ("SRR") announcement in March 2020 by BNM to currently stand at 2.0% from 2.5% earlier, although risk of moderate growth remains as a result of BNM deciding to reduce its overnight policy rate ("OPR") to 2.00%; its lowest since 2010.

In this challenging time, Bank Muamalat is committed to ensure a prudent asset quality and strong cost management exercise and at the same time maintain its capital and liquidity. The Bank shall also be actively engaged with the customers affected during this difficult time to ensure viable financial solutions are provided to support employment and their business continuity. Our Business Continuity Plan is also in place to ensure continuity of our key operations and uninterrupted services to the customers.

Following the recent announcement of Recovery Movement Control Order ("RMCO"), our branch operating hours have returned to normal hours. The safety of our staff still remains as our top priority. Continuous enforcement of social distancing within the branch is still being implemented for the staff as well as the customers. Full workforce for the Head Office premises in Jalan Melaka has also resumed to normal in June 2020 with various precautionary measures being put in place. Realizing the importance of digital innovation and process transformation in this time of crisis, we are continuing to enhance our digital touchpoints for ease of access, usage and seamless banking experience.

Moving forward, the Bank shall continue to ride on our business plan with revised action plans and initiatives to ensure good risk management, preservation of the quality of assets, intensive recovery plans as well as efficient management of liquidity. As the current economic environment is unprecedented, we will closely monitor the situation and continue to assess our performance for possible ramifications on the earnings as the situation develops. We will continue to engage with SMEs by offering a few special relief programs to further ease their burdens in managing their cash flows as well as to maintain their business operations during this challenging business environment. Driving gold business through enhanced services and wider market reach as well as introducing attractive campaigns is deemed as the right move to intensify our gold product in this bullish gold price environment and also part of our effort to remain competitive in the current banking landscape. At the same time, we will also further digitalize our customer base with heightened security measures as the safety of our customers is paramount.



**BANK MUAMALAT MALAYSIA BERHAD**  
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**9. Financial investments**

	Note	Group		Bank	
		30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Financial investments at fair value through profit or loss	(i)	328,522	308,793	328,522	308,793
Financial investments at fair value through other comprehensive income	(ii)	4,787,294	4,604,824	4,784,845	4,602,399
Financial investments at amortised cost	(iii)	104,547	103,162	104,547	103,162
		<b>5,220,363</b>	<b>5,016,779</b>	<b>5,217,914</b>	<b>5,014,354</b>
				<b>Group and Bank</b>	
				<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
<b>(i) Financial investments at fair value through profit or loss</b>					
<b>Unquoted securities in Malaysia:</b>					
Private equity funds				133,729	169,109
Malaysian government investment certificates				49,509	-
Islamic private debt securities in Malaysia				145,284	139,684
				<b>328,522</b>	<b>308,793</b>
<b>(ii) Financial investments at fair value through other comprehensive income</b>					
<b>Government securities and treasury bills:</b>					
Malaysian government investment certificates		3,866,716	3,082,301	3,866,716	3,082,301
<b>Unquoted securities:</b>					
Islamic private debt securities in Malaysia		794,901	1,356,482	794,901	1,356,482
Cagamas bonds		25,823	51,287	25,823	51,287
Foreign Islamic private debt securities and sukuk		-	8,252	-	8,252
		<b>820,724</b>	<b>1,416,021</b>	<b>820,724</b>	<b>1,416,021</b>
<b>Equity instruments:</b>					
<b>Quoted securities in Malaysia:</b>					
Quoted shares		91,524	98,196	91,524	98,196
Unit trusts		2,449	2,425	-	-
		<b>93,973</b>	<b>100,621</b>	<b>91,524</b>	<b>98,196</b>
<b>Unquoted securities:</b>					
Shares in Malaysia		5,881	5,881	5,881	5,881
<b>Total financial assets at fair value through other comprehensive income</b>		<b>4,787,294</b>	<b>4,604,824</b>	<b>4,784,845</b>	<b>4,602,399</b>

**BANK MUAMALAT MALAYSIA BERHAD**  
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**9. Financial investments (cont'd)**

**(ii) Financial investments at fair value through other comprehensive income (cont'd.)**

- (a) Movements in the allowances for impairment losses on debt instruments at fair value through other comprehensive income are as follows for the Group and the Bank:

	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12 Months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>At 30 June 2020</b>				
At 1 January 2020	119	-	37,251	37,370
Allowance made	3	-	-	3
Amount written back in respect of recoveries	(43)	-	-	(43)
Exchange differences	-	-	666	666
At 30 June 2020	<b>80</b>	<b>-</b>	<b>37,917</b>	<b>37,997</b>

	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12 Months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>At 31 December 2019</b>				
At 1 April 2019	122	-	33,866	33,988
Allowance made	62	-	3,343	3,405
Amount written back in respect of recoveries	(66)	-	-	(66)
Exchange differences	1	-	42	43
At 31 December 2019	<b>119</b>	<b>-</b>	<b>37,251</b>	<b>37,370</b>

**BANK MUAMALAT MALAYSIA BERHAD**  
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**9. Financial investments (cont'd.)**

**Group and Bank**  
**30 June 2020    31 December 2019**  
**RM'000            RM'000**

**(iii) Financial investments at amortised cost**

**At amortised cost**

Unquoted Islamic corporate sukuk in Malaysia	<b>144,905</b>	144,309
Accumulated impairment losses	<b>(40,358)</b>	(41,147)
<b>Total financial investments at amortised cost</b>	<b><u>104,547</u></b>	<b><u>103,162</u></b>

(a) Movements in the allowances for impairment losses on financial investments at amortised cost are as follows for the Group and the Bank:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12 Months ECL</b>	<b>Lifetime ECL not credit impaired</b>	<b>Lifetime ECL credit impaired</b>	<b>Total ECL</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 30 June 2020</b>				
At 1 January 2020	-	41,147	-	41,147
Amount written back in respect of recoveries	-	(789)	-	(789)
<b>At 30 June 2020</b>	<b>-</b>	<b>40,358</b>	<b>-</b>	<b>40,358</b>

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12 Months ECL</b>	<b>Lifetime ECL not credit impaired</b>	<b>Lifetime ECL credit impaired</b>	<b>Total ECL</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 31 December 2019</b>				
At 1 April 2019	1	41,419	-	41,420
Amount written back in respect of recoveries	(1)	(272)	-	(273)
<b>At 31 December 2019</b>	<b>-</b>	<b>41,147</b>	<b>-</b>	<b>41,147</b>

## 10. Islamic derivative financial instruments

The Table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded at gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period end and are indicative of neither the market risk nor the credit risk.

	Group and Bank					
	30 June 2020			31 December 2019		
	Contract/ notional amount RM'000	Fair value		Contract/ Notional Amount RM'000	Fair value	
	Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000	
<b>Trading derivatives:</b>						
Foreign exchange contracts						
- Currency forwards						
Less than one year	1,253,659	16,894	(8,135)	1,294,988	2,784	(19,088)
- Currency swaps						
Less than one year	1,541,017	13,188	(17,537)	1,642,880	19,064	(4,299)
- Currency spot						
Less than one year	20,955	2	(15)	27,415	11	(66)
	<b>2,815,631</b>	<b>30,084</b>	<b>(25,687)</b>	<b>2,965,283</b>	<b>21,859</b>	<b>(23,453)</b>
Islamic profit rate swap ("IPRS")						
Unhedged IPRS	75,000	-	(735)	75,000	-	(916)
Hedged IPRS	1,200,000	-	(106,181)	1,200,000	-	(53,177)
<b>Total</b>	<b>4,090,631</b>	<b>30,084</b>	<b>(132,603)</b>	<b>4,240,283</b>	<b>21,859</b>	<b>(77,546)</b>

Included within hedging derivatives is a derivative where the Group and the Bank apply hedge accounting. The principal amount and fair value of derivative where hedge accounting is applied by the Group and Bank are as follows:

	30 June 2020			31 December 2019		
	Contract/ notional amount RM'000	Fair value		Contract/ Notional Amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Islamic profit rate swap (IPRS)	1,200,000	-	(106,181)	1,200,000	-	(53,177)

**Fair Value hedges**

Fair value hedges are used by the Group and the Bank to protect against changes in the fair value of financial assets due to movements in profit rates. The financial instruments hedged for profit rate risk include the Group's and the Bank's financing of customers.

For the period ended 30 June 2020, the Group and the Bank:-

- (i) recognised a net loss of RM53,003,008 (31 December 2019: net loss of RM28,755,380) on the hedging instrument. The total net gain on the hedged items attributable to the hedged risk amounted to RM59,191,056 (31 December 2019: net gain of RM31,261,694).

## 11. Financing of Customers

## (i) By type and Shariah concepts

Group 30 June 2020	Bai'	Ijarah Thumma	Inah RM'000	Tawarruq RM'000	Bai'	Murabahah RM'000	Istisna' RM'000	Qard RM'000	Murabahah	Shirkah Mutanaqisah RM'000	Rahnu RM'000	Total financing RM'000
	Bithaman Ajil RM'000	Al-Bai RM'000			Al-Dayn RM'000				Purchase Orderer RM'000			
Cash line	-	-	3,601	637,947	-	-	-	-	-	-	-	641,548
Term financing:												
Home financing	1,637,148	-	-	2,929,788	-	-	10,049	-	-	-	-	4,576,985
Syndicated financing	-	-	-	564,811	-	-	-	-	-	-	-	564,811
Hire purchase receivables	83,755	361,860	-	-	-	-	-	-	127,661	-	-	573,276
Personal financing	60,280	-	144	3,601,453	-	-	-	-	-	-	-	3,661,877
Other term financing	184,011	-	3	3,382,085	-	-	47,787	260	-	76,095	-	3,690,241
Trust receipts	-	-	-	-	38,235	93,863	-	-	-	-	-	132,098
Claims on customers under acceptance credits	-	-	-	-	82,328	675,292	-	-	-	-	-	757,620
Staff financing	35,722	-	-	62,243	-	-	-	868	-	-	-	98,833
Revolving credit	-	-	-	1,564,674	-	-	-	-	-	-	-	1,564,674
Ar-Rahnu	-	-	-	106,323	-	-	-	-	-	-	89,363	195,686
Gross financing	2,000,916	361,860	3,748	12,849,324	120,563	769,155	57,836	1,128	127,661	76,095	89,363	16,457,649
Fair value changes arising from fair value hedge	-	-	-	87,818	-	-	-	-	-	-	-	87,818
	2,000,916	361,860	3,748	12,937,142	120,563	769,155	57,836	1,128	127,661	76,095	89,363	16,545,467
Less : Allowance for impaired financing												
-Stage 1 - 12 Months ECL	(945)	(687)	(36)	(60,738)	(93)	(515)	(416)	-	(335)	-	(2,276)	(66,041)
-Stage 2 - Lifetime ECL not credit impaired	(2,740)	(19)	(358)	(3,955)	-	-	(8)	-	-	-	-	(7,080)
-Stage 3 - Lifetime ECL credit impaired	(16,378)	(2,100)	(54)	(82,407)	(313)	(7,844)	(72)	-	-	-	(185)	(109,353)
Total net financing	1,980,853	359,054	3,300	12,790,042	120,157	760,796	57,340	1,128	127,326	76,095	86,902	16,362,993

\* Included in financing of customers are financing at fair value through profit or loss amounting to RM864,174,392 which mainly consists of hedged asset that are hedged against Islamic profit rate swap.

## 11. Financing of Customers (cont'd.)

## (i) By type and Shariah concepts

Group	Ijarah				Murabahah to the Purchase				Shirkah			Total financing
	Bai' Bithaman Ajil	Thumma Al-Bai	Inah	Tawarruq	Bai' Al-Dayn	Murabahah	Istisna'	Qard	Orderer	Mutanaqisah	Rahnu	
31 December 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line	-	-	4,164	300,779	-	-	-	-	-	-	-	304,943
Term financing:												-
Home financing	1,688,503	-	-	2,807,669	-	-	9,996	-	-	-	-	4,506,168
Syndicated financing	-	-	-	553,402	-	-	-	-	-	-	-	553,402
Hire purchase receivables	88,602	408,059	-	-	-	-	-	-	80,025	-	-	576,686
Personal financing	62,283	-	155	3,357,488	-	-	-	-	-	-	-	3,419,926
Other term financing*	188,011	-	5	3,311,783	-	-	56,552	286	-	58,532	-	3,615,169
Trust receipts	-	-	-	-	37,021	39,252	-	-	-	-	-	76,273
Claims on customers under acceptance credits	-	-	-	-	131,139	905,152	-	-	-	-	-	1,036,291
Staff financing	37,700	-	-	60,831	-	-	-	114	-	-	-	98,645
Revolving credit	-	-	-	1,607,595	-	-	-	-	-	-	-	1,607,595
Ar-Rahnu	-	-	-	-	-	-	-	-	-	-	170,293	170,293
Total gross financing	2,065,099	408,059	4,324	11,999,547	168,160	944,404	66,548	400	80,025	58,532	170,293	15,965,391
Fair value changes arising from fair value hedge	-	-	-	47,689	-	-	-	-	-	-	-	47,689
	2,065,099	408,059	4,324	12,047,236	168,160	944,404	66,548	400	80,025	58,532	170,293	16,013,080
Less : Allowance for impaired financing												
At amortised cost												
-Stage 1 - 12 Months ECL	(930)	(623)	(76)	(45,410)	(150)	(840)	(148)	-	-	-	(3,165)	(51,342)
-Stage 2 - Lifetime ECL not credit impaired	(2,664)	(62)	(76)	(10,473)	-	(482)	(9)	-	-	-	-	(13,766)
-Stage 3 - Lifetime ECL credit impaired	(16,985)	(1,938)	(228)	(59,261)	-	(7,715)	(71)	-	-	-	(536)	(86,734)
Total net financing	2,044,520	405,436	3,944	11,932,092	168,010	935,367	66,320	400	80,025	58,532	166,592	15,861,238

\* Included in other term financing is a financing at fair value through profit or loss amounting RM806,507,439 which mainly consists of hedged asset that are hedged against Islamic profit rate swap.

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**11. Financing of Customers (cont'd.)**

**(i) By type and Shariah concepts**

Bank	Ijarah		Tawarruq	Bai'		Murabahah	Istisna'	Qard	Murabahah to the Purchase Order	Rahnu	Total financing
	Bai' Bithaman Ajil	Thumma Al-Bai		Inah	Al-Dayn						
30 June 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line	-	-	3,601	637,947	-	-	-	-	-	-	641,548
Term financing:											
Home financing	1,637,148	-	-	2,929,788	-	-	10,049	-	-	-	4,576,985
Syndicated financing	-	-	-	564,811	-	-	-	-	-	-	564,811
Hire purchase receivables	83,755	361,860	-	-	-	-	-	-	127,661	-	573,276
Personal financing	60,280	-	144	3,601,453	-	-	-	-	-	-	3,661,877
Other term financing	184,011	-	3	3,382,085	-	-	47,787	71,402	-	-	3,685,288
Trust receipts	-	-	-	-	38,235	93,863	-	-	-	-	132,098
Claims on customers under acceptance credits	-	-	-	-	82,328	675,292	-	-	-	-	757,620
Staff financing	35,722	-	-	62,243	-	-	-	868	-	-	98,833
Revolving credit	-	-	-	1,564,674	-	-	-	-	-	-	1,564,674
Ar-Rahnu	-	-	-	106,323	-	-	-	-	-	89,363	195,686
Gross financing	2,000,916	361,860	3,748	12,743,001	120,563	769,155	57,836	72,270	127,661	89,363	16,452,696
Fair value changes arising from fair value hedge	-	-	-	87,818	-	-	-	-	-	-	87,818
	2,000,916	361,860	3,748	12,830,819	120,563	769,155	57,836	72,270	127,661	89,363	16,540,514
Less : Allowance for impaired financing											
-Stage 1 - 12 Months ECL	(945)	(687)	(36)	(60,738)	(93)	(515)	(416)	-	(335)	(2,276)	(66,041)
-Stage 2 - Lifetime ECL not credit impaired	(2,740)	(19)	(358)	(3,955)	-	-	(8)	-	-	-	(7,080)
-Stage 3 - Lifetime ECL credit impaired	(16,378)	(2,100)	(54)	(82,407)	(313)	(7,844)	(72)	-	-	(185)	(109,353)
Total net financing	1,980,853	359,054	3,300	12,683,719	120,157	760,796	57,340	72,270	127,326	86,902	16,358,040

\* Included in financing of customers are financing at fair value through profit or loss amounting to RM859,222,919 which mainly consists of hedged asset that are hedged against Islamic profit rate swap.

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**11. Financing of Customers (cont'd.)**

**(i) By type and Shariah concepts**

Bank 31 December 2019	Bai'	Ijarah	Inah	Tawarruq	Bai'	Murabahah	Istisna'	Qard	Murabahah to	Rahnu	Total
	Bithaman Ajil	Thumma			AI-Dayn				the Purchase		
	RM'000	AI-Bai	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line	-	-	4,164	300,779	-	-	-	-	-	-	304,943
Term financing:											
Home financing	1,688,503	-	-	2,807,669	-	-	9,996	-	-	-	4,506,168
Syndicated financing	-	-	-	553,402	-	-	-	-	-	-	553,402
Hire purchase receivables	88,602	408,059	-	-	-	-	-	-	80,025	-	576,686
Personal financing	62,283	-	155	3,357,488	-	-	-	-	-	-	3,419,926
Other term financing*	188,011	-	5	3,311,783	-	-	56,552	54,923	-	-	3,611,274
Trust receipts	-	-	-	-	37,021	39,252	-	-	-	-	76,273
Claims on customers under acceptance credits	-	-	-	-	131,139	905,152	-	-	-	-	1,036,291
Staff financing	37,700	-	-	60,831	-	-	-	114	-	-	98,645
Revolving credit	-	-	-	1,607,595	-	-	-	-	-	-	1,607,595
Ar-Rahnu	-	-	-	-	-	-	-	-	-	170,293	170,293
<b>Total gross financing</b>	<b>2,065,099</b>	<b>408,059</b>	<b>4,324</b>	<b>11,999,547</b>	<b>168,160</b>	<b>944,404</b>	<b>66,548</b>	<b>55,037</b>	<b>80,025</b>	<b>170,293</b>	<b>15,961,496</b>
Fair value changes arising from fair value hedge	-	-	-	47,689	-	-	-	-	-	-	47,689
	2,065,099	408,059	4,324	12,047,236	168,160	944,404	66,548	55,037	80,025	170,293	16,009,185
Less : Allowance for impaired financing											
At amortised cost											
-Stage 1 - 12 Months ECL	(930)	(623)	(76)	(45,410)	(150)	(840)	(148)	-	-	(3,165)	(51,342)
-Stage 2 - Lifetime ECL not credit impaired	(2,664)	(62)	(76)	(10,473)	-	(482)	(9)	-	-	-	(13,766)
-Stage 3 - Lifetime ECL credit impaired	(16,985)	(1,938)	(228)	(59,261)	-	(7,715)	(71)	-	-	(536)	(86,734)
<b>Total net financing</b>	<b>2,044,520</b>	<b>405,436</b>	<b>3,944</b>	<b>11,932,092</b>	<b>168,010</b>	<b>935,367</b>	<b>66,320</b>	<b>55,037</b>	<b>80,025</b>	<b>166,592</b>	<b>15,857,343</b>

\* Included in other term financing are financing at fair value through profit or loss amounting RM802,613,520 which mainly consists of hedged asset that are hedged against Islamic profit rate swap.



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**11. Financing of customers (cont'd.)**

**(i) By type and Shariah concepts (cont'd.)**

	Group		Bank	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Uses of Qard fund:				
Staff financing	868	114	868	114
Other term financing	261	286	71,402	54,923
	<b>1,129</b>	<b>400</b>	<b>72,270</b>	<b>55,037</b>

**(ii) By type of customer**

	Group		Bank	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Domestic non-banking institutions	381,834	510,337	381,834	510,337
Domestic business enterprises:				
-Small business enterprises	293,717	329,959	293,717	329,959
-Others	4,208,018	3,936,293	4,203,064	3,932,398
Government and statutory bodies	953,786	959,703	953,786	959,703
Individuals	10,608,976	10,218,154	10,608,976	10,218,154
Other domestic entities	4,562	3,916	4,562	3,916
Foreign entities	6,757	7,029	6,757	7,029
<b>Gross Financing</b>	<b>16,457,650</b>	<b>15,965,391</b>	<b>16,452,696</b>	<b>15,961,496</b>

**(iii) By profit rate sensitivity**

	Group		Bank	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Fixed rate:				
Home financing	249,707	265,103	249,707	265,103
Hire purchase receivables	573,276	576,686	573,276	576,686
Others	3,306,841	3,410,858	3,301,887	3,406,963
Variable rate:				
Home financing	4,374,365	4,283,076	4,374,365	4,283,076
Others	7,953,461	7,429,668	7,953,461	7,429,668
<b>Gross Financing</b>	<b>16,457,650</b>	<b>15,965,391</b>	<b>16,452,696</b>	<b>15,961,496</b>

**(iv) By residual contractual maturity**

	Group		Bank	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Maturity				
- within one year	4,427,442	4,459,918	4,427,442	4,459,918
- more than one to five years	5,631,136	5,215,272	5,631,136	5,215,272
- more than five years	6,399,072	6,290,201	6,394,118	6,286,306
<b>Gross Financing</b>	<b>16,457,650</b>	<b>15,965,391</b>	<b>16,452,696</b>	<b>15,961,496</b>

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**11. Financing of customers (cont'd.)**

**(v) By sector**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Agriculture	107,057	95,810	107,057	95,810
Mining and quarrying	3,392	4,022	3,392	4,022
Manufacturing	830,705	759,403	830,705	759,403
Electricity, gas and water	113,063	111,836	113,063	111,836
Construction	412,680	406,526	412,680	406,526
Household	10,615,738	10,225,184	10,615,738	10,225,184
Real estate	1,311,604	1,232,208	1,311,604	1,232,208
Wholesale, retail and restaurant	1,004,112	1,010,609	1,004,114	1,010,609
Transport, storage and communication	70,346	64,563	70,346	64,564
Finance, takaful and business services	723,876	811,806	723,874	811,806
Community, social and personal services	311,291	283,722	306,337	279,826
Government and statutory bodies	953,786	959,702	953,786	959,702
<b>Gross Financing</b>	<b>16,457,650</b>	<b>15,965,391</b>	<b>16,452,696</b>	<b>15,961,496</b>

**(vi) By geographical area**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Domestic	16,457,650	15,965,391	16,452,696	15,961,496
<b>Gross Financing</b>	<b>16,457,650</b>	<b>15,965,391</b>	<b>16,452,696</b>	<b>15,961,496</b>

Included in the financing of customers is financing given to one corporate customer and a number of identified structured personal financing customers which are hedged by profit rate derivatives. The hedging has achieved the criteria for hedge accounting whilst the financing are carried at fair value.

The maximum credit exposure of the financing of customers amounts to RM700 million (31 December 2019: RM700 million). The cumulative change in fair value of the financing attributable to changes in profit rate risk amounts to a gain of RM87,817,510 (31 December 2019: a gain of RM47,689,468) and the change in fair value for the current year is a gain of RM40,128,042 (31 December 2019: a gain of RM24,644,380). The changes in fair value of the designated financing attributable to changes in profit risk have been calculated by determining the changes in profit spread implicit in the fair value of securities issued by entities with similar credit characteristics.

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**11. Financing of customers (cont'd.)**

**Impaired financing**

**(i) Movements in the impaired financing**

	Group		Bank	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
At 1 January 2020/ At 1 April 2019	209,166	221,216	209,166	221,216
Classified as impaired during the period	105,158	235,837	105,158	235,837
Reclassified as performing during the period	(36,419)	(123,108)	(36,419)	(123,108)
Recovered during the period	(24,421)	(63,943)	(24,421)	(63,943)
Written off during the period	(13,666)	(60,836)	(13,666)	(60,836)
Gross impaired financing	<b>239,818</b>	209,166	<b>239,818</b>	209,166
Less: Stage 3 - Lifetime ECL credit impaired	<b>(109,352)</b>	(86,734)	<b>(109,352)</b>	(86,734)
Net impaired financing	<b>130,466</b>	122,432	<b>130,466</b>	122,432

**Calculation ratio of impaired financing:**

Gross financing of customers	16,457,649	15,965,391	16,452,696	15,961,496
Less: Stage 3 - Lifetime ECL credit impaired	<b>(109,352)</b>	(86,734)	<b>(109,352)</b>	(86,734)
Net financing of customers	<b>16,348,297</b>	15,878,657	<b>16,343,344</b>	15,874,762
Ratio of gross impaired financing to total financing	<b>1.46%</b>	1.31%	<b>1.46%</b>	1.31%
Net impaired financing ratio	<b>0.80%</b>	0.77%	<b>0.80%</b>	0.77%

**(ii) Impaired financing by sector**

	Group		Bank	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
Manufacturing	31,864	2,807	31,864	2,807
Construction	2,212	4,778	2,212	4,778
Household	162,418	163,559	162,418	163,559
Real estate	19,241	18,474	19,241	18,474
Wholesale, retail and restaurant	13,255	10,379	13,255	10,379
Transport, storage and communication	7,832	7,833	7,832	7,833
Finance, takaful and business services	689	966	689	966
Community, social and personal service	2,307	370	2,307	370
	<b>239,818</b>	209,166	<b>239,818</b>	209,166

**(iii) Impaired financing by geographical area**

	Group		Bank	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
Domestic	<b>239,818</b>	209,166	<b>239,818</b>	209,166

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**11. Financing of customers (cont'd.)**

**Impaired financing (cont'd.)**

**(iv) Movements in the loss allowance for financing of customers**

Group and Bank	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12 Months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>At 30 June 2020</b>				
At 1 January 2020	51,342	13,766	86,734	151,842
Transfer to Stage 1	6,497	(4,459)	(2,038)	-
Transfer to Stage 2	(808)	15,804	(14,996)	-
Transfer to Stage 3	(148)	(8,922)	9,070	-
Allowance (write back)/made	(1,351)	(8,698)	45,910	35,861
New financial assets originated	31,807	178	1	31,986
Financial assets derecognised	(21,297)	(590)	(3,788)	(25,675)
Amount written off/realised	-	-	(11,541)	(11,541)
Other movements	1	-	-	1
At 31 March 2020	<b>66,043</b>	<b>7,079</b>	<b>109,352</b>	<b>182,474</b>
<b>At 31 December 2019</b>				
At 1 April 2019	55,886	7,448	93,952	157,286
Transfer to Stage 1	15,195	(9,961)	(5,234)	-
Transfer to Stage 2	(1,953)	48,707	(46,754)	-
Transfer to Stage 3	(628)	(5,550)	6,178	-
Allowance (write back)/made	(29,312)	(26,565)	107,405	51,528
New financial assets originated	41,566	1,300	-	42,866
Financial assets derecognised	(29,415)	(1,613)	(10,773)	(41,801)
Amount written off/realised	-	-	(58,040)	(58,040)
Other movements	3	-	-	3
At 31 December 2019	<b>51,342</b>	<b>13,766</b>	<b>86,734</b>	<b>151,842</b>

**12. Other assets**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Deposits	6,083	7,129	5,983	7,030
Prepayments	7,948	6,265	7,874	6,177
Foreclosed properties	9,665	9,665	9,665	9,665
Golf club membership	600	600	600	600
Other receivables	21,083	11,476	21,083	11,476
Other debtors	5,991	9,713	5,818	9,010
	<b>77,245</b>	<b>44,848</b>	<b>76,898</b>	<b>43,958</b>
Less: Accumulated impairment losses	<b>(3,328)</b>	<b>(3,178)</b>	<b>(3,328)</b>	<b>(3,178)</b>
	<b>73,917</b>	<b>41,670</b>	<b>73,570</b>	<b>40,780</b>

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**13. Deferred tax assets & liabilities**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
At 1 January 2020/ At 1 April 2019	13,534	18,403	13,250	18,235
Recognised in the profit or loss (Note 32)	(18,261)	1,287	(18,296)	1,171
Recognised in other comprehensive income	(883)	(6,156)	(883)	(6,156)
At 30 June 2020/ At 31 December 2019	<b>(5,610)</b>	13,534	<b>(5,929)</b>	13,250

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position as follows:

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Deferred tax assets, net	319	13,534	-	13,250
Deferred tax liabilities, net	(5,929)	-	(5,929)	-
	<b>(5,610)</b>	13,534	<b>(5,929)</b>	13,250

Deferred tax assets and liabilities prior to offsetting are summarised as follows:

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Deferred tax assets	32,258	25,827	31,939	25,543
Deferred tax liabilities	(37,868)	(12,293)	(37,868)	(12,293)
	<b>(5,610)</b>	13,534	<b>(5,929)</b>	13,250

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**13. Deferred tax asset & liabilities (cont'd.)**

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

**Deferred tax assets of the Group :**

	ECL RM'000	Financial assets at FVOCI reserve RM'000	Leases RM'000	Property, plant and equipment & intangible asset RM'000	Provision for liabilities RM'000	Other temporary differences RM'000	Total RM'000
At 1 January 2020	12,092	-	900	6,211	6,265	359	25,827
Recognised in profit or loss	3,714	2,671	38	186	(168)	(10)	6,431
Recognised in other comprehensive income	-	-	-	-	-	-	-
At 30 June 2020	<b>15,806</b>	<b>2,671</b>	<b>938</b>	<b>6,397</b>	<b>6,097</b>	<b>349</b>	<b>32,258</b>

	ECL RM'000	Financial assets at FVOCI reserve RM'000	Leases RM'000	Property, plant and equipment & intangible asset RM'000	Provision for liabilities RM'000	Other temporary differences RM'000	Total RM'000
At 1 April 2019	11,121	508	726	5,303	9,353	322	27,333
Recognised in profit or loss	971	-	174	908	(3,088)	37	(998)
Recognised in other comprehensive income	-	(508)	-	-	-	-	(508)
At 31 December 2019	<b>12,092</b>	<b>-</b>	<b>900</b>	<b>6,211</b>	<b>6,265</b>	<b>359</b>	<b>25,827</b>

**Deferred tax liabilities of the Group :**

	Financial assets at FVOCI RM'000	Financial assets at FVTPL RM'000	Property, plant and equipment and intangible asset RM'000	Total RM'000
At 1 January 2020	(5,648)	-	(6,645)	(12,293)
Recognised in profit and loss	(25,569)	-	877	(24,692)
Recognised in other comprehensive income	(883)	-	-	(883)
At 30 June 2020	<b>(32,100)</b>	<b>-</b>	<b>(5,768)</b>	<b>(37,868)</b>

	Financial assets at FVOCI RM'000	Financial assets at FVTPL RM'000	Property, plant and equipment and intangible asset RM'000	Total RM'000
At 1 April 2019	-	(65)	(8,865)	(8,930)
Recognised in profit or loss	-	65	2,220	2,285
Recognised in other comprehensive income	(5,648)	-	-	(5,648)
As at 31 December 2019	<b>(5,648)</b>	<b>-</b>	<b>(6,645)</b>	<b>(12,293)</b>

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**13. Deferred tax asset & liabilities (cont'd.)**

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

**Deferred tax assets of the Bank:**

	ECL Financing of Customers RM'000	Financial assets at FVOCI reserve RM'000	Leases RM'000	Property, plant and equipment & intangible asset RM'000	Provision for liabilities RM'000	Other temporary differences RM'000	Total RM'000
At 1 January 2020	12,092	-	616	6,211	6,265	359	25,543
Recognised in profit or loss	3,714	2,671	3	186	(168)	(10)	6,396
Recognised in other comprehensive income	-	-	-	-	-	-	-
At 30 June 2020	<b>15,806</b>	<b>2,671</b>	<b>619</b>	<b>6,397</b>	<b>6,097</b>	<b>349</b>	<b>31,939</b>

	ECL Financing of Customers RM'000	Financial assets at FVOCI reserve RM'000	Leases RM'000	Property, plant and equipment & intangible asset RM'000	Provision for liabilities RM'000	Other temporary differences RM'000	Total RM'000
At 1 April 2019	11,121	508	493	5,303	9,353	322	27,100
Recognised in profit or loss	971	-	123	908	(3,088)	37	(1,049)
Recognised in other comprehensive income	-	(508)	-	-	-	-	(508)
As at 31 December 2019	<b>12,092</b>	<b>-</b>	<b>616</b>	<b>6,211</b>	<b>6,265</b>	<b>359</b>	<b>25,543</b>

**Deferred tax liabilities of the Bank:**

	Financing of Customers RM'000	Financial investments at FVOCI RM'000	Property, plant and equipment and intangible asset RM'000	Total RM'000
At 1 January 2020	-	(5,648)	(6,645)	(12,293)
Recognised in profit and loss	(25,569)	-	877	(24,692)
Recognised in other comprehensive income	-	(883)	-	(883)
At 30 June 2020	<b>(25,569)</b>	<b>(6,531)</b>	<b>(5,768)</b>	<b>(37,868)</b>

	Financial investments at FVOCI RM'000	Property, plant and equipment and intangible asset RM'000	Total RM'000
At 1 April 2019	-	(8,865)	(8,865)
Recognised in profit or loss	-	2,220	2,220
Recognised in other comprehensive income	(5,648)	-	(5,648)
As at 31 December 2019	<b>(5,648)</b>	<b>(6,645)</b>	<b>(12,293)</b>

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**14. Deposits from customers**

**(a) By type of deposits**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
<b>Savings Deposit</b>				
Qard	1,140,726	938,576	1,140,726	938,576
Tawarruq	709,127	521,960	709,127	521,960
<b>Demand Deposit</b>				
Qard	3,967,224	2,885,821	3,970,412	2,889,975
Tawarruq	1,563,381	1,549,520	1,563,381	1,549,520
<b>Term Deposit</b>				
Negotiable Islamic debt certificate	301,821	629,709	301,821	629,709
General investment deposits	61,601	63,701	61,601	63,701
Short term accounts	7,833,640	2,513,814	7,833,640	2,513,814
Fixed term accounts tawarruq	4,826,328	9,796,765	4,836,628	9,807,065
<b>Other deposits</b>	41,593	40,686	41,593	40,686
	<b>20,445,441</b>	<b>18,940,552</b>	<b>20,458,929</b>	<b>18,955,006</b>

**(b) By type of customer**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Government and statutory bodies	6,012,275	4,083,378	6,012,275	4,083,378
Business enterprises	4,872,020	7,708,280	4,885,508	7,722,734
Individuals	2,382,043	2,158,738	2,382,043	2,158,738
Domestic non-bank financial institutions	6,114,683	3,143,472	6,114,683	3,143,472
Domestic banking financial institutions	116,963	434,885	116,963	434,885
Others	947,457	1,411,799	947,457	1,411,799
	<b>20,445,441</b>	<b>18,940,552</b>	<b>20,458,929</b>	<b>18,955,006</b>

The maturity structure of term deposits are as follows :

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Due within six months	10,626,139	11,454,317	10,636,439	11,464,617
More than six months to one year	1,943,050	1,497,843	1,943,050	1,497,843
More than one year to three years	454,057	51,612	454,057	51,612
More than three years to five years	144	217	144	217
	<b>13,023,390</b>	<b>13,003,989</b>	<b>13,033,690</b>	<b>13,014,289</b>



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**15. Investment accounts of customers**

Restricted investment accounts ("RIA") is an arrangement between the Bank and investment account holders where the Bank acts as the investment agent to manage and administer the RIA and its underlying assets. RIA is accounted for as off balance sheet as the Bank has no right and obligation in respect of the assets related to the RIA or to the residual cash flows from those assets except for the Wakalah performance incentive fee income generated by the Bank for managing the RIA. RIA for the current period is nil (31 December 2019: RM20,000,000)

**(i) Investment account analysed by maturity portfolio are as follows:**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
<b>Wakalah</b>				
Maturity				
- within one year	-	20,000	-	20,000
	-	20,000	-	20,000

**(ii) By types of customer are as follows:**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Individuals	-	15,000	-	15,000
Others	-	5,000	-	5,000
	-	20,000	-	20,000

**(iii) The allocation of investment assets are as follows:**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
<b>Restricted investment accounts</b>				
Shirkah Mutanaqisah Financing	-	20,000	-	20,000
<b>Total investment</b>	-	20,000	-	20,000

**(iv) Investment account holders ("IAH") profit sharing ratio and rate of return are as follows:**

	Group and Bank 30 June 2020		Group and Bank 31 December 2019	
	Average profit sharing ratio (%)	Average rate of return (%)	Average profit sharing ratio (%)	Average rate of return (%)
<b>Investment account of customers</b>	-	-	70.0%	6.2%

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**16. Deposits and placements of banks and other financial institutions**

	<b>Group and Bank</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Bank Negara Malaysia	<b>54,158</b>	<b>6,303</b>

**17. Other liabilities**

	<b>Group</b>		<b>Bank</b>	
	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sundry creditors	2,557	1,325	2,557	572
Allowances for impairment losses on financing commitments and financial guarantee contracts (Note 17(a))	6,956	6,088	6,956	6,088
Provision for bonus	3,121	11,574	3,121	11,350
Accrued expenses	21,636	13,447	21,270	13,556
Accrual for directors' fees	74	-	74	-
Accrual for audit fees	986	1,234	954	1,212
Other liabilities	16,587	19,616	16,520	19,538
	<b>51,917</b>	<b>53,284</b>	<b>51,452</b>	<b>52,316</b>

(a) Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows:

<b>Group and Bank</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total ECL</b>
	<b>12 Months ECL</b>	<b>Lifetime ECL not credit impaired</b>	<b>Lifetime ECL credit impaired</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 30 June 2020</b>				
At 1 January 2020	3,064	93	2,931	6,088
Transfer to Stage 1	132	(103)	(29)	-
Transfer to Stage 2	(20)	128	(108)	-
Transfer to Stage 3	(25)	(17)	42	-
Allowance made/(write back)	631	(2)	146	775
New financing originated or purchased	1,055	2	-	1,057
Financing derecognised	(741)	(7)	(207)	(955)
Amount written-off/realised	-	-	(9)	(9)
At 30 June 2020	<b>4,096</b>	<b>94</b>	<b>2,766</b>	<b>6,956</b>
<b>At 31 December 2019</b>				
At 1 April 2019	3,406	121	3,371	6,898
Transfer to Stage 1	180	(150)	(30)	-
Transfer to Stage 2	(51)	193	(142)	-
Transfer to Stage 3	(4)	(146)	150	-
Allowance (write back)/made	(286)	105	182	1
New financing originated or purchased	495	-	-	495
Financing derecognised	(676)	(30)	(461)	(1,167)
Amount written-off/realised	-	-	(139)	(139)
At 31 December 2019	<b>3,064</b>	<b>93</b>	<b>2,931</b>	<b>6,088</b>

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**18. Provision for zakat and taxation**

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
Zakat	4,936	4,182	4,812	4,108
Taxation	329	5,346	-	5,164
	<b>5,265</b>	<b>9,528</b>	<b>4,812</b>	<b>9,272</b>

**19. Recourse obligation on financing sold to Cagamas**

This represents the proceeds received from house financing sold directly to Cagamas Berhad with recourse to the Bank. Under these agreements, the Bank undertakes to administer the financing on behalf of Cagamas Berhad and to buy-back any financing which are regarded as defective based on prudential criteria set by Cagamas Berhad. These financial liabilities are stated at amortised cost.

**20. Sukuk**

**(a) Subordinated sukuk**

On 15 June 2016, the Bank set up a RM1.0 billion Sukuk programme of which RM250.0 million was subscribed up to the closing date. The Sukuk programme has loss absorption features to meet Basel III criteria and qualifies as Tier 2 capital for the purpose of Bank Negara Malaysia capital adequacy requirement.

The subordinated sukuk bears profit/dividend at 5.8% per annum, up to the date of early redemption in full of such sukuk or maturity date (15 June 2021), whichever is earlier. The dividend is payable semi-annually in June and December.

**(b) Senior sukuk**

On 25 November 2016, the Bank has issued RM500.0 million (5 years maturity) of senior sukuk respectively through a RM2.0 billion Senior Sukuk Programme.

The Senior Sukuk bears profit/dividend at 5.5% per annum, up to the date of early redemption in full of such sukuk or maturity date (25 November 2021), whichever is earlier. The dividend is payable semi-annually in May and November.

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**21. Income derived from investment of depositors' funds and others**

Group and Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of:				
(a) Fixed term deposits	14,586	127,714	131,166	317,290
(b) Other deposits	234,286	170,247	428,084	303,304
	<b>248,872</b>	<b>297,961</b>	<b>559,250</b>	<b>620,594</b>

**(a) Income derived from investment of fixed term deposits**

	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>Finance income and hibah</b>				
Income from financing	8,158	100,914	93,984	235,648
Financial investments designated at FVTPL	168	859	838	2,514
Financial assets at fair value through other comprehensive income	3,400	18,821	21,128	50,473
Financial assets at amortised cost	56	321	280	242
Money at call and deposit with financial institutions	1,805	3,068	4,038	7,745
	<b>13,587</b>	<b>123,983</b>	<b>120,268</b>	<b>296,622</b>
Amortisation of premium less accretion of discounts	(614)	(128)	(2,198)	(665)
Total finance income and hibah	<b>12,973</b>	<b>123,855</b>	<b>118,070</b>	<b>295,957</b>
<b>Other operating income</b>				
Net gain/(loss) from sale of:				
- financial investments designated at FVTPL	(6)	24	52	309
- financial investments at fair value through other comprehensive income	2,125	194	8,597	8,806
Unrealised gain/(loss) on revaluation from financial investments designated at FVTPL	(156)	173	526	524
	<b>1,963</b>	<b>391</b>	<b>9,175</b>	<b>9,639</b>
<b>Fees and commission</b>				
Guarantee fees	3	165	178	369
Processing fees	(77)	85	166	1,470
Service charges and fees	25	1,097	1,295	3,719
Commission	(301)	2,121	2,282	6,136
	<b>(350)</b>	<b>3,468</b>	<b>3,921</b>	<b>11,694</b>
<b>Total</b>	<b>14,586</b>	<b>127,714</b>	<b>131,166</b>	<b>317,290</b>

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**21. Income derived from investment of depositors' funds and others (cont'd.)**

**(b) Income derived from investment of other deposits**

	3 months ended		6 months ended	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Finance income and hibah</b>				
Income from financing	164,058	130,695	306,731	225,262
Financial investments designated at FVTPL	1,620	1,242	2,734	2,403
Financial assets at fair value through other comprehensive income	39,486	26,033	68,956	48,249
Financial assets at amortised cost	542	286	915	231
Money at call and deposit with financial institutions	9,466	4,121	13,178	7,403
	<u>215,172</u>	<u>162,377</u>	<u>392,514</u>	<u>283,548</u>
Amortisation of premium less accretion of discounts	(4,540)	(258)	(7,172)	(635)
Total finance income and hibah	<u>210,632</u>	<u>162,119</u>	<u>385,342</u>	<u>282,913</u>
<b>Other operating income</b>				
Net gain from sale of:				
- financial investments designated at FVTPL	74	95	170	295
- financial investments at fair value through other comprehensive income	17,299	2,373	28,057	8,418
Unrealised gain on revaluation from financial investments designated at FVTPL	582	255	1,716	501
	<u>17,955</u>	<u>2,723</u>	<u>29,943</u>	<u>9,214</u>
<b>Fees and commission</b>				
Guarantee fees	291	210	581	352
Processing fees	137	433	541	1,406
Service charges and fees	2,117	1,714	4,228	3,553
Commission	3,154	3,048	7,449	5,866
	<u>5,699</u>	<u>5,405</u>	<u>12,799</u>	<u>11,177</u>
<b>Total</b>	<u>234,286</u>	<u>170,247</u>	<u>428,084</u>	<u>303,304</u>

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**22. (Loss)/Income derived from investment of shareholders' funds**

Group	3 months ended		6 months ended	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Finance income and hibah</b>				
Financial assets at fair value through other comprehensive income	2,760	2,535	5,438	6,023
Financial assets at amortised cost				
Money at call and deposit with financial institutions	323	423	707	842
	<b>3,083</b>	2,958	<b>6,145</b>	6,865
Amortisation of premium less				
Accretion of discounts	(317)	498	(645)	563
Total finance income and hibah	<b>2,766</b>	3,456	<b>5,500</b>	7,428
<b>Other operating income</b>				
Net (loss)/gain from foreign exchange transaction	18,391	4,054	(4,871)	4,260
Unrealised gain/(loss) on revaluation from foreign exchange derivatives	(16,751)	(3,977)	5,989	(297)
Unrealised (loss)/gain on revaluation from financial investments designated at FVTPL	7,297	7,177	(36,414)	11,017
Net gain/(loss) from sale of financial investments at fair value through other comprehensive income	538	(2)	779	60
Fair value of financial liabilities designated at FVTPL	4,488	-	4,488	-
Gross dividend income from investment:				
-shares in Malaysia	11	20	24	41
Net dividend paid for Islamic profit rate swap	(4,199)	(2,079)	(6,753)	(4,237)
Unrealised loss on revaluation of Islamic profit rate swap	(5,356)	(15,404)	(52,822)	(31,148)
Unrealised gain on revaluation from hedged items	6,901	15,318	59,191	37,043
	<b>11,320</b>	5,107	<b>(30,389)</b>	16,739
<b>Fees and commission</b>				
Corporate advisory fees	162	572	406	1,036
Service charges and fees	1,652	1,102	3,253	1,674
Commission	476	612	1,116	1,299
	<b>2,290</b>	2,286	<b>4,775</b>	4,009
<b>Other income</b>				
Rental income	55	144	474	434
(Loss)/Profit on sale of fixed assets	(149)	-	(21)	7
Fair value adjustments of investment properties	-	-	-	1,580
	<b>(94)</b>	144	<b>453</b>	2,021
<b>Total</b>	<b>16,282</b>	10,993	<b>(19,661)</b>	30,197

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**22. (Loss)/Income derived from investment of shareholders' funds (cont'd.)**

<b>Bank</b>	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>
<b>Finance income and hibah</b>				
Financial assets at fair value through other comprehensive income	2,760	2,535	5,438	6,023
Financial assets at amortised cost				
Money at call and deposit with financial institutions	323	423	707	842
	<b>3,083</b>	2,958	<b>6,145</b>	6,865
Amortisation of premium less				
Accretion of discounts	(317)	498	(645)	563
Total finance income and hibah	<b>2,766</b>	3,456	<b>5,500</b>	7,428
<b>Other operating income</b>				
Net (loss)/gain from foreign exchange transaction	18,391	4,054	(4,871)	4,260
Unrealised gain/(loss) on revaluation from foreign exchange derivatives	(16,751)	(3,977)	5,989	(297)
Unrealised (loss)/gain on revaluation from financial investments designated at FVTPL	7,297	7,322	(36,414)	11,700
Net gain from sale of financial investments at fair value through other comprehensive income	538	2	779	254
Fair value of financial liabilities designated at FVTPL	4,488	-	4,488	-
Gross dividend income from investment:				
-subsidiary	1,500	1,000	1,500	1,000
Net dividend paid for Islamic profit rate swap	(4,199)	(2,079)	(6,753)	(4,237)
Unrealised loss on revaluation of Islamic profit rate swap	(5,356)	(15,404)	(52,822)	(31,148)
Unrealised gain on revaluation from hedged items	6,901	15,318	59,191	37,043
	<b>12,809</b>	6,236	<b>(28,913)</b>	18,575
<b>Fees and commission</b>				
Corporate advisory fees	180	306	333	437
Service charges and fees	26	79	63	143
Commission	476	612	1,116	1,299
	<b>682</b>	997	<b>1,512</b>	1,879
<b>Other income</b>				
Rental income	68	174	487	494
(Loss)/Profit on sale of fixed assets	(149)	-	(21)	7
Fair value adjustments of investment properties	-	-	-	1,580
	<b>(81)</b>	174	<b>466</b>	2,081
<b>Total</b>	<b>16,176</b>	10,863	<b>(21,435)</b>	29,963

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**23. Income derived from investment of investment account funds**

	3 months ended		6 months ended	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Group and Bank	RM'000	RM'000	RM'000	RM'000
<b>Finance income and hibah</b>				
Investment of account funds	-	4	-	8
<b>Fees and commission</b>				
Service charges and fees	24	1	156	403
<b>Total</b>	<b>24</b>	<b>5</b>	<b>156</b>	<b>411</b>

**24. Allowance for/(Writeback of) impairment on financing**

Group	3 months ended		6 months ended	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	RM'000	RM'000	RM'000	RM'000
Allowance for/(Writeback of) impairment on financing of customer:				
- individual allowance made	16,206	3,117	17,473	9,495
- individual allowance written back	(148)	(2,606)	(650)	(15,339)
- collective allowance made	23,192	54,546	83,848	102,689
- collective allowance written back	(27,809)	(37,367)	(57,622)	(82,914)
Impaired financing written off	1,294	4	2,477	(11,653)
Impaired financing recovered	(4,113)	(6,606)	(10,566)	(15,381)
	<b>8,622</b>	<b>11,088</b>	<b>34,960</b>	<b>(13,103)</b>

Bank	3 months ended		6 months ended	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	RM'000	RM'000	RM'000	RM'000
Allowance for/(Writeback of) impairment on financing of customer:				
- individual allowance made	16,206	3,117	17,473	9,495
- individual allowance written back	(148)	(2,606)	(650)	(15,339)
- collective allowance made	23,192	54,546	83,848	102,710
- collective allowance written back	(27,809)	(37,367)	(57,622)	(82,914)
Impaired financing written off	1,294	4	2,477	(11,653)
Impaired financing recovered	(4,113)	(6,606)	(10,566)	(20,313)
	<b>8,622</b>	<b>11,088</b>	<b>34,960</b>	<b>(18,014)</b>



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**25. Writeback of impairment losses on financial investments, net**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Impairment (write back)/losses on corporate bonds included under Fair value through other comprehensive income ("FVOCI")	(16)	24	(39)	(15)
Impairment write back on corporate bonds included under Amortised Cost ("AC")	(325)	(310)	(789)	(359)
	<b>(341)</b>	<b>(286)</b>	<b>(828)</b>	<b>(374)</b>

Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Impairment (write back)/losses on corporate bonds included under Fair value through other comprehensive income ("FVOCI")	(16)	24	(39)	(15)
Impairment write back on corporate bonds included under Amortised Cost ("AC")	(325)	(310)	(789)	(359)
Impairment write back on investment in subsidiary	-	-	-	(1,000)
	<b>(341)</b>	<b>(286)</b>	<b>(828)</b>	<b>(1,374)</b>

**26. (Writeback of)/Allowance for impairment losses on other financial assets, net**

Group and Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Cash and short term funds				
- ECL, net	(82)	(192)	(419)	(20)
Other assets				
- ECL, net	-	-	150	4,034
	<b>(82)</b>	<b>(192)</b>	<b>(269)</b>	<b>4,014</b>

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**27. Income attributable to depositors**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Deposits from customers:				
Mudharabah funds	228	348	455	702
Non-Mudharabah funds	115,861	137,451	242,087	287,313
Deposits and placements of banks and other financial institutions:				
Non-Mudharabah funds	406	199	1,112	273
	<b>116,495</b>	<b>137,998</b>	<b>243,654</b>	<b>288,288</b>

Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Deposits from customers:				
Mudharabah funds	228	348	455	702
Non-Mudharabah funds	115,929	137,521	242,235	287,487
Deposits and placements of banks and other financial institutions:				
Non-Mudharabah funds	406	199	1,112	273
	<b>116,563</b>	<b>138,068</b>	<b>243,802</b>	<b>288,462</b>

**28. Personnel expenses**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Salary and wages	38,073	35,765	77,501	71,304
Contribution to defined contribution plan	6,907	7,460	13,528	14,433
Social security contributions	435	375	856	767
Allowances and bonuses	2,804	9,507	3,700	14,925
Others	4,849	6,245	10,254	12,497
	<b>53,068</b>	<b>59,352</b>	<b>105,839</b>	<b>113,926</b>

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**28. Personnel expenses (cont'd)**

Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Salary and wages	37,497	35,273	76,351	70,290
Contribution to defined contribution plan	6,821	7,378	13,345	14,267
Social security contributions	421	375	842	767
Allowances and bonuses	2,800	9,470	3,660	14,529
Others	4,839	6,228	10,234	12,461
	<b>52,378</b>	<b>58,724</b>	<b>104,432</b>	<b>112,314</b>

**29. Other overheads and expenditures**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>Promotion</b>				
Advertisement and publicity	2,017	2,470	3,486	4,631
Others	(47)	1,341	704	3,207
<b>Establishment</b>				
Rental	134	163	137	3,222
Depreciation of property, plant and equipment	2,803	19,680	5,726	7,402
Depreciation of right-of-use assets	3,066	2,375	6,032	2,375
Amortisation of intangible assets	8,404	(7,948)	16,752	16,208
Amortisation of prepaid land lease payment	-	1	-	2
Information technology expenses	12,390	14,357	25,336	27,270
Repair and maintenance	675	1,214	1,440	2,292
Hire of equipment	921	885	1,827	1,911
Takaful	1,901	1,775	3,850	3,657
Utilities expenses	1,097	1,329	2,271	2,620
Security expenses	2,221	2,731	4,169	5,422
Others	1,285	949	2,405	2,247
<b>General expenses</b>				
Auditors' fees	108	99	207	820
Professional fees	542	606	1,733	2,145
Legal expenses	546	750	666	1,533
Telephone	688	438	1,134	935
Stationery and printing	335	426	673	1,063
Postage and courier	552	415	976	992
Travelling	82	411	352	842
Directors remuneration and Shariah Committee allowance	1,072	1,190	2,288	1,821
Others	3,042	3,163	6,150	5,245
	<b>43,834</b>	<b>48,820</b>	<b>88,314</b>	<b>97,862</b>

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**29. Other overheads and expenditures (cont'd)**

	3 months ended		6 months ended	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
<b>Bank</b>				
<b>Promotion</b>				
Advertisement and publicity	2,017	2,470	3,486	4,631
Others	(47)	1,338	702	3,200
<b>Establishment</b>				
Rental	134	163	137	3,072
Depreciation of property, plant and equipment	2,801	3,482	5,722	7,400
Depreciation of right-of-use assets	2,942	2,252	5,801	2,252
Amortisation of intangible assets	8,403	8,244	16,752	16,191
Amortisation of prepaid land lease payment	-	1	-	2
Information technology expenses	12,354	14,357	25,263	27,270
Repair and maintenance	585	1,122	1,249	2,104
Hire of equipment	855	789	1,698	1,719
Takaful	1,901	1,775	3,850	3,657
Utilities expenses	1,091	1,321	2,259	2,606
Security expenses	2,221	2,731	4,169	5,422
Others	1,285	949	2,405	2,247
<b>General expenses</b>				
Auditors' fees	108	99	207	820
Professional fees	473	644	1,509	2,064
Legal expenses	546	750	666	1,533
Telephone	688	438	1,134	933
Stationery and printing	332	423	667	1,054
Postage and courier	552	415	976	992
Travelling	82	410	351	839
Directors remuneration and Shariah Committee allowance	1,062	1,178	2,268	1,792
Others	3,574	3,669	7,190	6,651
	<b>43,959</b>	<b>49,020</b>	<b>88,461</b>	<b>98,451</b>

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**30 Finance cost**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Dividend paid- subordinated sukuk	3,622	3,625	7,247	7,210
Dividend paid- senior sukuk	6,829	6,875	13,629	13,674
Financing sold to Cagamas	5,228	5,405	10,553	10,964
Finance cost of lease liabilities	644	605	1,314	605
	<b>16,323</b>	<b>16,510</b>	<b>32,743</b>	<b>32,453</b>

  

Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Dividend paid- subordinated sukuk	3,622	3,625	7,247	7,210
Dividend paid- senior sukuk	6,829	6,875	13,629	13,674
Financing sold to Cagamas	5,228	5,405	10,553	10,964
Finance cost of lease liabilities	538	495	1,098	495
	<b>16,217</b>	<b>16,400</b>	<b>32,527</b>	<b>32,343</b>

**31. Zakat**

Group	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Provision for zakat for the year	653	841	762	3,274
Over provision in prior year	-	-	(8)	-
	<b>653</b>	<b>841</b>	<b>754</b>	<b>3,274</b>

  

Bank	3 months ended		6 months ended	
	30 June	30 June	30 June	30 June
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Provision for zakat for the year	622	831	704	3,204
	<b>622</b>	<b>831</b>	<b>704</b>	<b>3,204</b>

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**32. Taxation**

Group	3 months ended		6 months ended	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
Current income tax	(15,399)	2,437	645	20,045
Under/(Over) provision in prior year	18	-	18	(596)
	<b>(15,381)</b>	<b>2,437</b>	<b>663</b>	<b>19,449</b>
Deferred tax:				
Relating to origination and reversal of temporary differences	21,734	4,558	18,262	10,823
	<b>21,734</b>	<b>4,558</b>	<b>18,262</b>	<b>10,823</b>
	<b>6,353</b>	<b>6,995</b>	<b>18,925</b>	<b>30,272</b>
Bank	3 months ended		6 months ended	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
Current income tax	(15,742)	2,118	-	18,265
	<b>(15,742)</b>	<b>2,118</b>	<b>-</b>	<b>18,265</b>
Deferred tax:				
Relating to origination and reversal of temporary differences	21,786	4,397	18,296	11,184
Over provision in prior year	-	348	-	348
	<b>21,786</b>	<b>4,745</b>	<b>18,296</b>	<b>11,532</b>
	<b>6,044</b>	<b>6,863</b>	<b>18,296</b>	<b>29,797</b>

Income tax expense is recognised in each interim period based on the best estimate of the annual income tax rate expected for the full financial year. The effective tax rate for the current interim period was higher than the statutory tax rate principally due to certain expenses which are not deductible for tax purposes.

Domestic current income tax is calculated at the statutory tax rate of 24% (31 December 2019: 24%) of the estimated assessable profit for the period.

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**33. Credit exposures arising from credit transactions with connected parties**

	<b>Group</b>	
	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
Outstanding credit exposures with connected parties (RM'000)	<u>1,341,836</u>	<u>1,613,373</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>5.2%</u>	<u>6.7%</u>
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	<u>-</u>	<u>-</u>
	<b>Bank</b>	
	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
Outstanding credit exposures with connected parties (RM'000)	<u>1,412,980</u>	<u>1,668,011</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>5.5%</u>	<u>7.0%</u>
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	<u>-</u>	<u>-</u>

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transaction and Exposures with Connected Parties, which are effective on 1 January 2008.

Credit transactions and exposures to connected parties as disclosed above includes the extension of credit facilities and/or off-balance sheet credit exposures such as guarantees, trade-related facilities and financing commitments. It also includes holdings of equities and private debt securities issued by the connected parties.

The credit transactions with connected parties mentioned above are all transacted on an arm's length basis and on terms and conditions no more favourable than those entered into with other counterparties with similar circumstances and credit worthiness. Due care has been taken to ensure that the credit worthiness of the connected party is not less than that normally required of other persons.

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**34. Commitments and contingencies**

- (i) In the normal course of business, the Group and the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

Risk weighted exposures of the Group and the Bank are as follows:

	<b>Group and Bank</b>					
	<b>30 June 2020</b>			<b>31 December 2019</b>		
The commitments and contingencies constitute the following:	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Total risk weighted amount RM'000</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Total risk weighted amount RM'000</b>
<b>Contingent liabilities</b>						
Direct credit substitutes	245,573	245,573	214,502	231,450	231,450	205,352
Trade-related contingencies	30,575	6,115	299	38,679	7,736	1,494
Transaction-related contingencies	407,052	203,526	190,411	428,543	214,272	201,091
<b>Commitments</b>						
Credit extension commitment:						
- Maturity within one (1) year	1,285,488	257,098	250,301	879,658	175,932	171,477
- Maturity exceeding one (1) year	1,034,113	517,057	492,475	777,881	388,941	373,034
<b>Islamic derivative financial instruments</b>						
Foreign exchange related contracts	2,815,631	71,504	42,327	2,965,283	58,660	28,638
Profit rate related contract	1,275,000	71,075	14,215	1,275,000	71,188	14,238
	<b>7,093,432</b>	<b>1,371,948</b>	<b>1,204,530</b>	<b>6,596,494</b>	<b>1,148,179</b>	<b>995,324</b>



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**35. Capital adequacy**

**(a) Capital Adequacy Framework**

- (i) Bank Negara Malaysia ("BNM") had on 6 February 2020 issued the Capital Adequacy Framework for Islamic Banks (Capital Components) on the computation of capital and capital adequacy ratios for Islamic banks. All financial institutions shall hold and maintain at all times, the following minimum capital adequacy ratios:

<b>Common Equity Tier 1 (CET1) Ratio</b>	<b>Tier 1 Capital Ratio</b>	<b>Total Capital Ratio</b>
4.50%	6.00%	8.00%

\*Excluding Capital Conservation Buffer of 2.5% of total risk-weighted assets ("RWA") which is subject to phase-in arrangement effective 1 January 2016 as well as Countercyclical Capital Buffer ranging between 0% and 2.5% of total RWA and any other capital buffers which may be introduced by BNM.

- (ii) Total RWA is calculated as the sum of credit RWA, market RWA, operational RWA and large exposure risk requirements as determined in accordance with Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued by BNM on 2 February 2018 for Islamic banks.

The sum of the above is further adjusted to take into account any profit-sharing investment accounts ("PSIA") recognised as risk absorbent for capital adequacy purposes, in the manner stipulated under the Guidelines on Recognition and Measurement of PSIA as Risk Absorbent as updated by BNM on 26 July 2011.

Any exposures which are deducted in the calculation of CET1 Capital, Tier 1 Capital and Total Capital is not subjected to any further capital charges in the computation of RWA.

**(b) Compliance and Application of Capital Adequacy Ratios**

The capital adequacy ratio of the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Bank (Risk Weighted Assets). The total risk weighted assets are computed based on the following approaches:

- (i) Credit risk under Internal Ratings-Based Approach;
- (ii) Market risk under Standardised Approach; and
- (iii) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1, and Total Capital are 4.5%,

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**35. Capital adequacy (cont'd.)**

(c) The capital adequacy ratio of the Group/Bank is as follows:

	Group		Bank	
	30 June 2020 RM'000	31 December 2019 RM'000	30 June 2020 RM'000	31 December 2019 RM'000
<b>Computation of Total Risk Weighted Assets ("RWA")</b>				
Total credit RWA	13,866,475	13,089,369	13,849,817	13,073,524
Total market RWA	55,323	35,361	55,323	35,361
Total operational RWA	1,189,319	1,218,544	1,179,446	1,206,121
<b>Total RWA</b>	<b>15,111,117</b>	<b>14,343,274</b>	<b>15,084,586</b>	<b>14,315,006</b>
<b>Computation of Capital Ratio</b>				
<b>Tier-I capital</b>				
Share capital	1,195,000	1,195,000	1,195,000	1,195,000
Retained profits	1,193,264	1,193,264	1,186,740	1,186,740
<b>Other Reserves</b>				
Regulatory reserve	62,252	62,676	62,252	62,676
FVOCI reserve	20,764	18,008	20,764	18,008
Foreign exchange translation reserve	1,650	(133)	1,650	(133)
<b>Regulatory Adjustment</b>				
Deferred tax assets	(32,258)	(25,827)	(31,939)	(25,543)
Investment property gain	(5,542)	(5,542)	(5,542)	(5,542)
Regulatory reserve	(62,252)	(62,676)	(62,252)	(62,676)
FVOCI reserve	(11,420)	(9,905)	(11,420)	(9,904)
Investment in subsidiaries	-		(13,159)	(13,159)
Intangible asset (net of deferred tax liabilities)	(34,168)	(70,244)	(34,058)	(70,134)
<b>Total Common Equity Tier-I Capital</b>	<b>2,327,290</b>	<b>2,294,621</b>	<b>2,308,036</b>	<b>2,275,333</b>
<b>Total Tier-I Capital</b>	<b>2,327,290</b>	<b>2,294,621</b>	<b>2,308,036</b>	<b>2,275,333</b>
<b>Tier-II capital</b>				
Subordinated sukuk	250,564	250,532	250,564	250,532
Loss provision and regulatory reserve*	135,373	127,785	135,373	127,785
Add: Investment property gain	2,494	2,494	2,494	2,494
<b>Total Tier-II Capital</b>	<b>388,431</b>	<b>380,811</b>	<b>388,431</b>	<b>380,811</b>
<b>Total Capital Base</b>	<b>2,715,721</b>	<b>2,675,432</b>	<b>2,696,467</b>	<b>2,656,144</b>
<b>Ratio (%)</b>				
CET 1 Capital	15.401%	15.998%	15.301%	15.895%
Tier 1 Capital	15.401%	15.998%	15.301%	15.895%
<b>Total Capital</b>	<b>17.972%</b>	<b>18.653%</b>	<b>17.876%</b>	<b>18.555%</b>

\* Tier 2 Capital comprise collective allowance on non-impaired financing customers and regulatory reserve.

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**35. Capital adequacy (cont'd.)**

The capital adequacy ratio of the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 4 August 2017 and 2 March 2017, respectively. The Group and the Bank have adopted the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk. The minimum regulatory capital adequacy requirement for Islamic Bank Common Equity Tier I capital, Tier I capital, and Total Capital are 4.5%, 6.0% and 8.0% of total RWA respectively for the current period (31 December 2019: 4.5%, 6.0% and 8.0% of total RWA).

The current year's core capital ratios and risk-weighted capital ratios were computed using reported amounts which form part of the current year financial statements which have been prepared in accordance with MFRS.

(b) Credit risk disclosure by risk weights of the Group are as follows:

	<b>Group</b>			
	<b>30 June 2020 RM'000</b>			<b>31 December 2019 RM'000</b>
	<b>Total exposures after netting and credit risk mitigation RM'000</b>	<b>Total risk weighted assets RM'000</b>	<b>Total exposures after netting and credit risk mitigation RM'000</b>	<b>Total risk weighted assets RM'000</b>
0%	6,930,061	-	5,902,452	-
20%	1,986,960	397,392	1,818,548	363,710
35%	2,909,309	1,018,258	3,110,625	1,088,719
50%	1,198,826	599,413	1,195,617	597,808
75%	3,416,060	2,562,045	3,175,251	2,381,439
100%	9,243,065	9,243,065	8,592,299	8,592,299
150%	30,868	46,302	43,596	65,394
<b>Risk weighted assets for credit risk</b>	<b>25,715,149</b>	<b>13,866,475</b>	<b>23,838,388</b>	<b>13,089,369</b>
<b>Risk weighted assets for market risk</b>		<b>55,323</b>		<b>35,361</b>
<b>Risk weighted assets for operational risk</b>		<b>1,189,319</b>		<b>1,218,544</b>
<b>Total risk weighted assets</b>		<b>15,111,117</b>		<b>14,343,274</b>

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**35. Capital adequacy (cont'd.)**

(b) Credit risk disclosure by risk weights of the Bank are as follows:

	<b>Bank</b>			
	<b>30 June 2020 RM'000</b>		<b>31 December 2019 RM'000</b>	
	<b>Total exposures after netting and credit risk mitigation RM'000</b>	<b>Total risk weighted assets RM'000</b>	<b>Total exposures after netting and credit risk mitigation RM'000</b>	<b>Total risk weighted assets RM'000</b>
0%	6,930,061	-	5,902,452	-
20%	1,986,960	397,392	1,818,548	363,710
35%	2,909,309	1,018,258	3,110,625	1,088,719
50%	1,198,826	599,413	1,195,617	597,808
75%	3,416,060	2,562,045	3,175,251	2,381,439
100%	9,233,837	9,233,836	8,582,297	8,582,297
150%	25,915	38,873	39,701	59,551
<b>Risk weighted assets for credit risk</b>	<b>25,700,968</b>	<b>13,849,817</b>	<b>23,824,491</b>	<b>13,073,524</b>
<b>Risk weighted assets for market risk</b>		<b>55,323</b>		<b>35,361</b>
<b>Risk weighted assets for operational risk</b>		<b>1,179,446</b>		<b>1,206,121</b>
<b>Total risk weighted assets</b>		<b>15,084,586</b>		<b>14,315,006</b>

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**36. Fair values of financial instruments**

**(a) Financial instruments measured at fair value**

**Determination of fair value and the fair value hierarchy**

MFRS 7 Financial Instruments: Disclosures require the classification of financial instruments held at fair value according to a hierarchy that reflects the significance of inputs used in making the measurements, in particular, whether the inputs used are observable or unobservable. The following levels of hierarchy are used for determining and disclosing the fair value of financial instruments:

Level 1 - quoted market prices: quoted prices (unadjusted) in active markets for identical instruments;

Level 2 - valuation techniques based on observable inputs: inputs other than quoted prices included within Level 1 that are observable for the instrument, whether directly (ie. prices) or indirectly (ie. derived from prices), are used; and

Level 3 - valuation techniques using significant unobservable inputs: inputs used are not based on observable market data and the unobservable inputs have a significant impact on the instrument's valuation.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arm's length. Valuation techniques used incorporate assumptions regarding discount rates, profit rate yield curves, estimates of future cash flows and other factors. Changes in these assumptions could materially affect the fair values derived. The Bank generally uses widely recognised valuation techniques with market observable inputs for the determination of fair value, which require minimal management judgement and estimation, due to the low complexity of the financial instruments held.

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**36. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

The following Table shows the financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

Group	Quoted Market Price Level 1 RM'000	Valuation technique using		Total RM'000
		Observable Inputs Level 2 RM'000	Unobservable Inputs Level 3 RM'000	
<b>30 June 2020</b>				
<b>Non-financial assets</b>				
Investment properties	-	-	53,696	53,696
<b>Financial assets</b>				
Financial investments designated at fair value through profit and loss	-	59,961	268,561	328,522
Financial investments fair value through other comprehensive income	93,973	4,687,440	5,881	4,787,294
Derivative financial assets	-	30,084	-	30,084
Total financial assets measured at fair value	<b>93,973</b>	<b>4,777,485</b>	<b>274,442</b>	<b>5,145,900</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	132,603	-	132,603
Total financial liabilities measured at fair value	-	132,603	-	132,603

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**36. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

Group (cont'd.)	Quoted Market Price Level 1 RM'000	Valuation technique using		Total RM'000
		Observable Inputs Level 2 RM'000	Unobservable Inputs Level 3 RM'000	
<b>31 December 2019</b>				
<b>Non-financial assets</b>				
Investment properties	-	-	53,063	53,063
<b>Financial assets</b>				
Financial investments designated at fair value through profit or loss	-	10,321	298,472	308,793
Financial investments at FVOCI	100,621	4,498,322	5,881	4,604,824
Derivative financial assets	-	21,859	-	21,859
Total financial assets measured at fair value	100,621	4,530,502	304,353	4,935,476
<b>Financial liabilities</b>				
Derivative financial liabilities	-	77,546	-	77,546
Total financial liabilities measured at fair value	-	77,546	-	77,546

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**36. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

<b>Bank</b>	<b>Quoted Market Price Level 1 RM'000</b>	<b>Valuation technique using</b>		<b>Total RM'000</b>
		<b>Observable Inputs Level 2 RM'000</b>	<b>Unobservable Inputs Level 3 RM'000</b>	
<b>30 June 2020</b>				
<b>Non-financial assets</b>				
Investment properties	-	-	53,696	53,696
<b>Financial assets</b>				
Financial investments designated at fair value through profit and loss	-	59,961	268,561	328,522
Financial investments fair value through other comprehensive income	91,524	4,687,440	5,881	4,784,845
Derivative financial assets	-	30,084	-	30,084
<b>Total financial assets measured at fair value</b>	<b>91,524</b>	<b>4,777,485</b>	<b>274,442</b>	<b>5,143,451</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	132,603	-	132,603
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>132,603</b>	<b>-</b>	<b>132,603</b>



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**36. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

<b>Bank (cont'd.)</b>	<b>Quoted Market Price Level 1 RM'000</b>	<b>Valuation technique using</b>		<b>Total RM'000</b>
<b>31 December 2019</b>	<b>RM'000</b>	<b>Observable Inputs Level 2 RM'000</b>	<b>Unobservable Inputs Level 3 RM'000</b>	<b>RM'000</b>
<b>Non-financial assets</b>				
Investment properties	-	-	53,063	53,063
<b>Financial assets</b>				
Financial investments designated at fair value through profit and loss	-	10,321	298,472	308,793
Financial investments at FVOCI	98,196	4,498,322	5,881	4,602,399
Derivative financial assets	-	21,859	-	21,859
<b>Total financial assets measured at fair value</b>	<b>98,196</b>	<b>4,530,502</b>	<b>304,353</b>	<b>4,933,051</b>
<b>Financial liabilities</b>				
Derivative financial liabilities	-	77,546	-	77,546
<b>Total financial liabilities measured at fair value</b>	<b>-</b>	<b>77,546</b>	<b>-</b>	<b>77,546</b>

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**36. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

Reconciliation of financing assets at fair value measurements in Level 3 of the fair value hierarchy:

	<b>Group</b>		<b>Bank</b>	
	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
<b>At 1 January 2020</b>	<b>304,353</b>	321,050	<b>304,353</b>	321,050
Loss recognised in profit or loss	<b>(32,763)</b>	(2,954)	<b>(32,763)</b>	(2,954)
Purchases	-	500	-	500
Sales/ redeemed	<b>(5,008)</b>	(14,779)	<b>(5,008)</b>	(14,779)
Foreign exchange translation difference	<b>7,860</b>	536	<b>7,860</b>	536
<b>At 30 June 2020</b>	<b>274,442</b>	304,353	<b>274,442</b>	304,353

The reason for the transfer was due to impairment of the securities which resulted in the inability to obtain market prices for the securities as at reporting date.

	<b>Group</b>	
	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
Total loss recognised in statements of profit or loss for financial instruments measured at fair value at the end of the financial period	<b>(32,763)</b>	(2,954)

	<b>Bank</b>	
	<b>30 June 2020 RM'000</b>	<b>31 December 2019 RM'000</b>
Total loss recognised in statements of profit or loss for financial instruments measured at fair value at the end of the financial period	<b>(32,763)</b>	(2,954)

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**37. Segment information**

**(a) Business segments (cont'd.)**

The Bank is organised into three (3) major business segments:

- (i) Business banking - this segment comprises the full range of products and services offered to business customers in the region, ranging from large corporates and the public sector and also commercial enterprises. The products and services offered include long-term financing such as project financing, short-term credit (e.g Muamalat Cashline and trade financing), and fee-based services (e.g cash management).
- (ii) Consumer banking - this segment comprises the full range of products and services offered to individual customers in Malaysia, including savings accounts, current accounts, fixed term accounts, remittance services, internet banking services, cash management services, consumer financing such as mortgage financing, personal financing, hire purchases financing, micro financing, wealth management and bancatakaful products.
- (iii) Treasury and investment banking - this segment comprises the full range of products and services relating to treasury activities and services, including foreign exchange, money market, derivatives and trading of capital market securities.

Investment banking focuses on business needs of mainly large corporate customers and financial institutions, which include corporate advisory services, bond issuances, Initial Public Offerings ("IPOs") and debt restructuring advisory services. It also explores investment opportunities via private equity investments for the Bank.

Other business segments include rental services, none of which is of sufficient size to be reported separately.

<b>Group</b>	<b>Business</b>	<b>Consumer</b>	<b>Treasury and investment</b>	<b>Others</b>	<b>Total</b>
<b>30 June 2020</b>	<b>banking</b>	<b>banking</b>	<b>banking</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	<b>150,210</b>	<b>272,219</b>	<b>100,018</b>	<b>17,298</b>	<b>539,745</b>
<b>Total income</b>	<b>75,695</b>	<b>131,282</b>	<b>10,960</b>	<b>78,154</b>	<b>296,091</b>
(Allowance for)/writeback of impairment on financing	<b>(7,357)</b>	<b>(27,603)</b>	-	-	<b>(34,960)</b>
Writeback of impairment on investments	-	-	<b>828</b>	-	<b>828</b>
Allowance for impairment on other financial assets, net	-	-	<b>419</b>	<b>(150)</b>	<b>269</b>
Other expenses	-	-	-	<b>(6,737)</b>	<b>(6,737)</b>
<b>Total net income</b>	<b>68,338</b>	<b>103,679</b>	<b>12,207</b>	<b>71,267</b>	<b>255,491</b>
Total overhead expenses					<b>(226,896)</b>
<b>Profit before zakat and taxation</b>					<b>28,595</b>
Zakat					<b>(754)</b>
Taxation					<b>(18,925)</b>
<b>Profit for the period</b>					<b>8,916</b>

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**37. Segment information (cont'd.)**

**(a) Business segments (cont'd.)**

<b>Group</b>	<b>Business</b>	<b>Consumer</b>	<b>Treasury and</b>	<b>Others</b>	<b>Total</b>
<b>30 June 2019</b>	<b>banking</b>	<b>banking</b>	<b>investment</b>	<b>banking</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>banking</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	112,927	334,381	100,145	103,749	651,202
<b>Total income</b>	25,312	164,659	(9,274)	182,217	362,914
Writeback of impairment on financing	15,564	(2,480)	19	-	13,103
Writeback of impairment on investments	-	-	374	-	374
Allowance for impairment on other financial assets, net	-	-	(117)	(3,897)	(4,014)
Other expenses	-	-	-	(6,595)	(6,595)
<b>Total net income</b>	40,876	162,179	(8,998)	171,725	365,782
Total overhead expenses					(244,241)
<b>Profit before zakat and taxation</b>					121,541
Zakat					(3,274)
Taxation					(30,272)
<b>Profit for the period</b>					87,995

<b>Bank</b>	<b>Business</b>	<b>Consumer</b>	<b>Treasury and</b>	<b>Others</b>	<b>Total</b>
<b>30 June 2020</b>	<b>banking</b>	<b>banking</b>	<b>investment</b>	<b>banking</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>banking</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	150,210	272,219	98,244	17,298	537,971
<b>Total Income</b>	75,695	131,282	9,038	78,154	294,169
(Allowance for)/writeback of impairment on financing	(7,357)	(27,603)	-	-	(34,960)
Writeback of impairment on investments	-	-	828	-	828
Allowance for impairment on other financial assets, net	-	-	419	(150)	269
Other expenses	-	-	-	(6,737)	(6,737)
<b>Total net income</b>	68,338	103,679	10,285	71,267	253,569
Total overhead expenses					(225,420)
<b>Profit before zakat and taxation</b>					28,149
Zakat					(704)
Taxation					(18,296)
<b>Profit for the period</b>					9,149

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**37. Segment information (cont'd.)**

**(a) Business segments (cont'd.)**

<b>Bank 30 June 2019</b>	<b>Business banking RM'000</b>	<b>Consumer banking RM'000</b>	<b>Treasury and investment banking RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Revenue	112,927	334,381	99,911	103,749	650,968
<b>Total Income</b>	25,312	164,659	(9,683)	182,218	362,506
Writeback of impairment on financing	15,564	(2,480)	4,930	-	18,014
Writeback of impairment on investments	-	-	1,374	-	1,374
Allowance for impairment on other financial assets, net	-	-	(117)	(3,897)	(4,014)
Other expenses	-	-	-	(6,595)	(6,595)
<b>Total net income</b>	40,876	162,179	(3,496)	171,726	371,285
Total overhead expenses					(243,108)
<b>Profit before zakat and taxation</b>					128,177
Zakat					(3,204)
Taxation					(29,797)
<b>Profit for the period</b>					95,176

**38. Comparatives**

Certain comparative figures have been reclassified to confirm to current year's presentation.